Pye Tait Consulting
Development of Key Performance Indicators to support the building standards verification system
January 2012
Executive Summary

1. The building standards system in Scotland was established as a result of the Building (Scotland) Act 2003. The remit of the building standards system is to protect the public interest by setting out the standards to be met when building or conversion work takes place, to the extent necessary to meet the building regulations. The public interest is a critical success factor - ensuring compliance with regulations and above all – keeping the public safe.

2. Verifiers are appointed by Scottish Ministers and the Act provides for a variety of verifiers should this be required. At present the only appointed verifiers are the 32 Scottish local authorities, each covering their own geographical area.

3. Local authorities were re-appointed in 1 May 2011 for a further six-year period. The Scottish Government’s re-appointment of local authorities as building standards verifiers is on the condition that a new performance framework is put in place to improve the quality, compliance, consistency and predictability of verification activities.

4. The current verification system was launched on 1st May 2005. A requirement of the current system is for verifiers to submit an annual ‘balanced scorecard’ to the Building Standards Division of the Scottish Government. Whilst the introduction of the balanced scorecards resulted in positive progress and a stronger focus on customer service in particular, the approach did not enable a consistent approach to monitoring and measuring performance.

5. The purpose of this research is to develop and test a robust set of national KPIs that will form part of the new performance framework for local authorities responsible for building standards verification. The KPIs will contribute towards wider changes to the performance framework for building standards verification and will ensure that the activities of local authorities can be better compared to ensure consistency and quality in terms of outputs and overall service.

6. Continuous improvement is a critical success factor in relation to ‘raising the bar’ for quality, compliance, and in particular - consistency. KPIs have been developed with a view to embedding a culture of continuous improvement underpinned by a greater focus on peer review, benchmarking and sharing of best practice at a national, not just regional level.

7. It is recommended that KPIs be adopted and reviewed in two to three years to ensure they remain fit for purpose and any necessary changes implemented.
8. Performance against KPIs should be reported on a quarterly basis to enable issues to be identified and resolved, and trigger interventions such as audit or peer review where poor performance is flagged up as a concern. Whilst performance should be reported on a quarterly basis, evidence of improvement on an annual basis should be sought.

9. A manual to support the effective implementation and use of KPIs should be developed to include clear guidance, evidence requirements and uniform templates to ensure a consistent approach to measuring performance.

10. The establishment of a National Forum is proposed to underpin greater consistency and a stronger focus on sharing of best practice to influence and inform continuous improvement.

11. KPIs have been formulated to be measures of performance, and have been developed – as far as possible – to follow SMART criteria:

   - Specific purpose
   - Measurable
   - Achievable
   - Relevant
   - Time-based

12. Research has resulted in the development of three broad core outcome headers:

   - Professional Expertise and Processes
   - Effective Customer Experience
   - Operational Improvement

13. Each of these broad headers is supplemented by three themes which are cross-cutting in nature and span all three outcomes:

   - Public interest
   - Continuous improvement
   - Consistency

14. Our research indicates that these should not be viewed in isolation – these themes span all aspects of building standards verification strategy, operational delivery, internal and external relationships. Hence these have been classified as cross-cutting themes rather than separate outcomes. The framework for the KPIs is therefore summed up in the following diagram:
1. Introduction

1.1 Context and purpose of the research

The building standards system in Scotland was established as a result of the Building (Scotland) Act 2003. The Act gives powers to Ministers to make building regulations, procedure regulations, fees regulations and other supporting legislation as necessary to fulfil the purposes of the Act. The purposes include setting building standards and dealing with dangerous and defective buildings.

The remit of the building standards system is to protect the public interest by setting out the standards to be met when building or conversion work takes place, to the extent necessary to meet the building regulations.

The standards are intended to:

- secure the health, safety, welfare and convenience of persons in or about buildings and of others who may be affected by buildings or matters connected with buildings;
- further the conservation of fuel and power; and
- further the achievement of sustainable development.

The role of the verifier is to protect the public interest by:

- providing an independent check of applications for building warrants to construct buildings provide services, fittings or equipment in buildings, or to convert buildings;
- carrying out inspections of construction activities through the process of “Reasonable Inquiry”\(^1\); and
- accepting or rejecting completion certificates.

Verifiers are appointed by Scottish Ministers and the Act provides for a variety of verifiers should this be required. At present the only appointed verifiers are the 32 Scottish Local Authorities, each covering their own geographical area.

\(^1\)‘Reasonable Inquiry’ has not been clearly defined by the Building (Scotland) Act and has therefore invited widespread interpretation as part of activities undertaken by local authorities to verify Building Standards [reported by Optimal Economics (2010) ‘Research Project to support the appointment of verifiers – Final Report’]. Further research was subsequently undertaken by Optimal in 2011 to establish a baseline and to identify a model for Reasonable Inquiry.
Local authorities employ staff across a wide range of job titles involved in verification, which may be combined into eight categories of staff as follows:

- **Managers/Team Leaders**: building standards managers and team leaders;
- **Senior**: principal building standards surveyors and senior building standard surveyors;
- **Officers and Assistants**: building standards surveyors and assistant building standards surveyors;
- **Trainees**: building standards trainees and graduates;
- **Inspectors**: building standards inspectors;
- **Engineers** (self-explanatory);
- **Technicians**: technicians and technical assistants; and
- **Other specialists**: public safety officer and disability advisor.

The current verification system was launched on 1st May 2005. Local Authorities were re-appointed in May 2011 for a further six-year period. A requirement of the current system is for verifiers to submit an annual ‘balanced scorecard’ to the Building Standards Division of the Scottish Government.

The current balanced scorecard covers five broad perspectives:

- Public interest;
- Private customer;
- Internal business;
- Continuous improvement; and
- Finance

The balanced scorecard model allows verifiers to set their own objectives for performance and acts as a self-assessment tool. The resulting reports are then used by the Scottish Government to inform their on-going audit activities of the building standards system, with each local authority having received at least one audit (subject to performance) during the first appointment period.

The most significant challenge associated with the current performance framework is its lack of consistency and predictability. While the objectives of verification are common across Scotland, the Building (Scotland) Act does not seek to define ‘Reasonable Inquiry’ as part of inspection activities. Similarly the Scottish Building Standards Procedural Handbook states that “verifiers may inspect on-going works during inspections “as they see fit”. It is perhaps not surprising therefore that research carried out by Optimal Economics in 2010, on behalf of the Scottish Government, revealed inconsistencies within the system. These are principally borne from the fact that each local authority operates on a standalone basis and

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1 Optimal Economics (2011) Analysis to establish a baseline for the future operation of ‘Reasonable Inquiry’ functions
2 Later references in this report to the Scottish Government refer to the Building Standards Division
provides its own interpretation of Reasonable Inquiry as part of verification activities.

Inconsistencies relate to the frequency of inspections and the extent to which inspection regimes are formalised and transparent. The level of building standards activity are reported to be highest in rural areas and inspection processes may be risk-based, stage-based or, more commonly, a combination of the two4.

At the conclusion of their research Optimal Economics made the following observations:

‘The current system of verification as operated by the local authorities in Scotland is acknowledged to achieve fully the objective of serving the public interest and buildings erected in Scotland are generally considered to be safe and comply with building regulations... However, there is still some concern among customers about unevenness in performance, slowness of response in some cases and the possibility of being delayed indefinitely by a poorly performing authority.’

Optimal Economics (2010) Research Project to inform the appointment of verifiers (Final report)

Respondents to a Compliance Consultation carried out by the Scottish Government in 2010 indicated that future guidance on risk assessment in relation to Reasonable Inquiry should set measurable standards for verifiers regarding the level of site inspection. It was suggested that the Reasonable Inquiry guidance might include a benchmarking process, but that it should not be mandatory, too prescriptive or complex in nature5.

This research has taken place concurrently with additional research to identify a model for Reasonable Enquiry6 for domestic and non-domestic new build and extension projects. Findings echo research from 2010, stating that while there is broad consistency towards the approach of Reasonable Inquiry, in practice there is typically a great deal of variation.

The case for improved standardisation is also taking place against a backdrop of regulatory change. In 2007, the Sullivan Report called for a transformation of the construction industry to deliver Scotland’s low and zero carbon aspirations, and made clear that the enforcement of standards relating to sustainability needs to be carried out with as much rigour as those issues relating to safety.

The Scottish Government’s re-appointment of local authorities as Building Standards verifiers is on the condition that a new performance framework is put in place to improve the quality, compliance, consistency and predictability of verification activities.

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4 Optimal Economics (2011) Analysis to establish a baseline for the future operation of ‘Reasonable Inquiry’ functions
5 Ibid.
Key Performance Indicators (KPIs) are at the heart of any performance framework—they define the data to be collected to measure progress and enable actual results achieved over time to be compared with planned results. It is vital that carefully developed and robust KPIs are integrated into the new building standards verification performance framework so that the measurement of performance against agreed outcomes operates in unison across all local authorities.

It is essential that the Scottish Government responds to issues identified within the building standards verification system to ensure that standards are maintained and upheld in compliance with the Building (Scotland) Regulations.

The purpose of this research is to develop and test a robust set of national KPIs that will form part of the new performance framework for local authorities responsible for building standards verification. The KPIs will contribute towards wider changes to the performance framework for building standards verification and will ensure that the activities of local authorities can be better compared to ensure consistency and quality in terms of outputs and overall service.

This final report presents the findings of the research, conclusions and recommendations in relation to the proposed framework of national KPIs for building standards verification.

1.2 Research methodology

This project involves an exploration of the current strengths and weaknesses associated with the existing building standards verification system (including quantitative and qualitative KPIs currently in operation) and the changes needed as part of the new performance framework. This also requires an understanding of what constitutes ‘best practice’ in relation to building standards verification, by looking not only within the Scottish system but also across England, Wales and Northern Ireland.

This work has utilised a mix of primary and desk-based research and associated analysis, to develop a number of draft KPIs for review, testing and iterative development. A summary of research activities at the different stages of the project is presented below:
Stage 1: Development of First Draft KPIs

✓ Workshop-style discussion with key representatives from the Scottish Government Building Standards Division;

✓ In-depth telephone interviews with a selection of key stakeholder organisations whose remit overlaps with the building standards system in Scotland:
  - Association of Building Engineers (ABE)
  - Butler & Young
  - Chartered Institute of Architectural Technologists (CIAT)
  - Homes for Scotland
  - National House Building Council (NHBC)
  - PG Surveyors
  - Royal Institute of Architects in Scotland (RIAS)
  - Royal Institute of Chartered Surveyors (RICS)
  - Scottish Association of Building Standards Managers (SABSM)
  - Scottish Property Federation
  - Local Authority Building Control UK (LABC)
  - Association of Consultant Approved Inspectors
  - Belfast Building Control
  - Northern Ireland Government
  - Omagh City Council

✓ Analysis of the most recently submitted balanced scorecard reports from local authorities;

✓ Analysis of individual local authority audit reports published by the Scottish Government;

✓ Comparative analysis of building control and approved inspection activities operating in England, Wales and Northern Ireland, as well as performance standards operating across other (non-building) local authority functions in Scotland; and

✓ Desk research of relevant documentation and KPIs across other sectors.

Stage 2: Development of Second Draft KPIs

✓ In-depth telephone interviews with representatives from building standards verification services across Scotland to inform the draft 2 KPIs;

✓ Detailed discussions with the Scottish Government to review and test the draft 2 KPIs.

Stage 3: Development of Third Draft and Final KPIs

✓ Development and hosting of an online feedback portal for local authorities and other key stakeholders to provide comments and suggestions in respect of the draft 3 KPIs;

✓ Hosting of a seminar event among key stakeholders to discuss and validate the final draft KPIs; and

✓ Preparation of the final project report and final KPIs.
2. Analysis of the Building Standards Verification System

2.1 Findings from review of balanced scorecards, audit reports and desk research

This section considers findings from the balanced scorecards and audit reports spanning all 32 Local Authorities; the purpose is not to assess these scorecards as this process has been undertaken via the audit procedure. Furthermore previous research has already conducted an assessment of the audit process, and this report will build upon rather than duplicate that work.

The clear message in relation to the balanced scorecards, what is worth re-stating here, is that there is a great deal of inconsistency across the different reports in relation to format, layout, whether targets or KPIs have been set and the amount and type of evidence that is included. Sections 2.2.1 to 2.2.5 will draw out some of the examples within the scorecards and audit reports that have been used to help develop the draft KPIs, taking each of the headers – public interest, private customer, internal business, continuous improvement and finance – in turn.

Section 2.2.6 presents findings from the desk research and looks at alternative examples of KPI development predominantly focused upon the customer experience, and considers what lessons could be transferable to the building standards verifiers.

2.1.1 Public interest

The core expectation of the Auditors from the Scottish Government in relation to the public interest is encapsulated as follows: ‘Verifiers will have in place risk management protocols which will determine the management of work on building warrants and completion certificates’.

The strength of designing and embedding formal risk management protocols is self-evident; however many scorecards lack detail as to what these protocols actually cover\(^7\) making it difficult to determine whether they are genuinely fit for purpose. A small number of Local Authorities state that these protocols have been developed via a consultation process, but the identities of the people and/or organisations consulted is not always clear. Only a small number (Fife and Argyll & Bute) make specific reference to customer service resulting from the provision of risk management protocols.

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\(7\) Inverclyde is a notable exception
Examples of best practice\textsuperscript{8} in setting and embedding risk management protocols include:

- Annual review of protocols
- Training in place to ensure protocols understood/embedded (Midlothian; North Lanarkshire)
- Protocols developed to meet policy requirements
- Protocols used to determine allocation of workload to appropriately qualified and senior staff
- Once developed, protocols incorporated within procedural and technical guidance for staff
- Monitoring of consistency levels and practices following risk management protocols (Renfrewshire)

Scorecards for the public interest could be strengthened with the addition of measurable targets – for example reviewing protocols on a yearly basis.

Audits recognise the following examples as being either good or excellent:

- Checks made at all stages of process
- Process focuses on protecting the public interest
- All staff fully aware of protocols
- Used to allocate tasks to appropriately qualified/senior members of staff dependent on level of risk
- Quality control processes embedded
- Fit for purpose levels of supervision
- Working group to drive consistency
- Regular review of protocols to embed continuous improvement and drive quality

\textbf{2.1.2 Private customer}

Guidance from the Scottish Government in relation to the private customer states: ‘Verifiers will have in place a customer charter which encompasses: Guidance to stakeholders; Accessibility of Service; Measurable Performance Targets; and Customer Views’.

While nearly all have Customer Charters in place, not all Local Authorities have set broader targets or goals in support of customer engagement – and in some cases even when targets are there, they are not always measurable. Where strategies for capturing customer feedback are in place – are the insights regularly analysed? Furthermore what actions are subsequently taken? The answers to these questions are not apparent within every balanced scorecard. Inconsistencies are apparent too for the format and accessibility of information for customers – for example some Local Authorities clearly state that documentation is available in Gaelic but for others it is less obvious. It appears that there is a need for greater

\textsuperscript{8} For the purpose of this research in this section we define best practice as being examples of targets, goals or actions that, if fully adhered to, will enable the verifier to effectively deliver the requirements of the role.
clarity in relation to processes for covering leave of absence, and these should be focused on meeting customer needs.

Examples of best practice focus on the Customer Charter – not merely that one is in place, but that it is reviewed annually and is revised based on insights offered via regular gathering of customer feedback. In turn this intelligence can be used to shape staff training and development. Other actions taken or goals set include:

- Develop customer information (not always stated how Local Authorities achieve this)
- Performance statistics published, Indicators reviewed in line with customer needs and national guidelines (Aberdeenshire)
- (Customer) Survey monitored monthly and reported 6 monthly, results published (Angus)
- Provide realistic expectation of response times; accurate and factual response to stakeholders and elected members (Argyll & Bute)
- Gaelic versions of charter and guidance, improved access to web-based information (Argyll & Bute)
- Measurable performance targets (City of Edinburgh)
- Reduction in staff consultation and assessment times (Clackmannanshire)
- System to record and track customer complaints and use cases as training examples (Moray)
- Benchmarking with other Local Authorities (South Lanarkshire)

Audits recognise the following examples as being either good or excellent:

- ✓ Comprehensive customer charter firmly embedded
- ✓ Regular gathering of customer feedback to secure insight to inform activities e.g. focus groups, satisfaction surveys
- ✓ Customers and staff input into charter revisions
- ✓ Positive customer feedback
- ✓ Stretching targets to improve customer service against which performance is measured
- ✓ Guidance documents for customers; easily accessible (including other languages as required)
- ✓ Performance against targets published
- ✓ Charter Mark
- ✓ Web-based facilities for customers
- ✓ Targets for response times to customers
- ✓ Multiple approaches for customer engagement

However poor performance was associated with KPIs that are not meaningful, an absence of SMART targets and limited customer engagement.
2.1.3 Internal business

Guidance from the Scottish Government in relation to internal business states ‘Verifiers will have prepared a formal plan for the internal business perspective for future years’.

How Local Authorities interpret internal business perspective varies; some view this as formal strategic planning, others more operationally focused and some a mix of the two. Some are linked to overall local authority strategic aims, but not all. As previously stated, it is not always clear how performance is being measured.

Staff development, appraisals and training are frequently included within internal business but succession planning is not always explicitly addressed. Examples of best practice include:

- Business Continuity Plan in place, reviewed and monitored (Aberdeen)
- Grow your own strategy (Argyll & Bute)
- 3-year strategic plan linked to strategic aims and objectives (Dumfries & Galloway)
- Training Group established to drive training forward (Dumfries & Galloway)
- Internal plan linked to higher level plans (East Dunbartonshire)
- Investors in People (IiP) status (Falkirk)
- An evolving Business Plan that facilitates and guides the service in an improvement strategy, contributing to the Council’s strategic outcome of improved customer service (Inverclyde)
- Provision of a service which can deal with periods of work balance issues due to holiday leave and welfare absence (Midlothian)
- Safety of team/lone working policy (Orkney)

Action and target setting could be significantly strengthened via links to the sustainability agenda, and making more use of e-technologies to improve efficiencies and the customer experience. In relation to the latter, two Local Authorities – Glasgow and Stirling – have made a focus of embedding sustainability initiative such as car pool systems and reduction in paper usage.

Audits recognise the following examples as being either good or excellent:

- Strong visible leadership
- Links between business strategy and operational plan
- Effective electronic and other processes/systems (back office)
- Regular appraisals and training/development/succession planning
- Effective internal communications
- ISO
- Use of benchmarking/peer review to drive improvements
- Process maps

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9 Argyll & Bute being a notable exception
However issues were raised in relation to lack of training, and poor internal systems to support the back office function.

### 2.1.4 Continuous improvement

Scottish Government guidance sought a ‘3 year strategy for 2006-2009 for Continuous Improvement’.

Examples of best practice with scope to be of particular value include: setting targets that can be measured; regular review of a rolling programme of continuous improvement; use of results to inform training and development and reviews of customer charter; use of peer review and sharing of best practice to inform task/target setting and use of recognised systems to ensure and improve quality such as IiP, Charter Mark or ISO. In addition selected Local Authorities are adopting the following processes:

- Kaizen Process (CI management tool) used to standardise procedures (Aberdeenshire)
- Annual review of rolling 3 year continuous improvement strategy (Comhairlie-nan-Eilean-Siar); (Moray)
- Ayrshire Joint/Shared Services Group and South West Scotland Building Standards Consortium
- Focus groups within the areas reviewed and recommendations shared (Midlothian)
- Liaison with peer group consortium (North Lanarkshire)
- Charter Mark, and West Lothian Assessment Model used to develop continuous improvement plan (West Lothian)

Many Local Authorities make use of benchmarking groups to identify and implement actions to support continuous improvement.

Targets could be strengthened with the addition of timescales to define how often a continuous improvement programme and its objectives will be reviewed, and processes that enable actions to be taken on an on-going basis to help firmly embed a culture of continuous improvement at all levels of the organisation.

Audits recognise the following examples as being either good or excellent:

- ✓ Rolling improvement plan
- ✓ Pro-active benchmarking
- ✓ Training and development
- ✓ Data gathered to inform improvement and consistency
- ✓ Customer views regularly sought
- ✓ IiP, Charter Mark or similar
- ✓ Improvement working groups
2.1.5 Finance

Scottish Government audits sought to confirm that ‘Verifiers shall have a system in place to record costs and the management of costs against income streams for the verification process by March 2007’.

Effective approaches towards financial systems and processes have spanned: a focus on maximising efficiencies and opportunities to generate income; regular monitoring to identify cost savings and measurable targets set for reducing costs. Other examples of best practice in relation to targets set and actions taken include:

- Meetings with service accountants to monitor and discuss trends (Aberdeen)
- Target of 15% budgetary saving over 3 years (Argyll & Bute)
- Budget with a 'trading account' to look at direct and indirect costs (Fife)
- Collect and analyse fee income and expenditure monthly (Highland)
- Maintenance of Building Standards as a separate cost centre to ensure appropriate allocation of resources to enable continued contribution to the Council’s strategic objectives (Inverclyde)
- Adopt formal systems to analyse codes and costs (North Lanarkshire)
- Identify procedural efficiencies to target budget savings (Orkney)
- Review cost recovery of enforcement activity (Stirling)

Such targets and objectives would be enhanced through incorporation of identification of efficiencies into staff training plans.

Audits recognise the following examples as being either good or excellent:

✔ Robust time/costs recording systems
✔ Income maximised
✔ Value for money offered to customers
✔ Clear and effective budget setting arrangements
✔ Financial projection models
✔ Effective financial governance processes
✔ Electronic procurement of goods and services

2.1.6 Findings from desk research

Optimal Economics research

Optimal Economics presented research in June 2010 acknowledging that whilst the balanced scorecard approach has made a significant contribution towards improvements and stronger customer focus, there are underlying inconsistencies shown in the approach to verification and in the approach to documenting evidence of compliance across the different Local Authorities.

Typically inconsistencies can relate to frequency of inspections, extent to which
processes are formalised and transparent, the types of objectives and targets set (or not set) and how these are measured (or not measured). As already stated, inconsistency of approaches towards reasonable inquiry is a major issue, and Optimal Economics has carried out some follow up research seeking to establish a baseline for the future operation of the reasonable inquiry functions in March 2011.

Optimal Economics note that the balanced scorecard “has played a valuable role in driving improvement but its focus on processes is no longer appropriate”. The report also states that the annual submission and checking of these documents can be onerous for Local Authorities as well as the Scottish Government. Another limitation is that the scorecards have not provided extensive evidence of service performance. The report questioned whether the audit process provides sufficient data for effective analysis – pointing out that each local authority is able to devise the format and content of its balanced scorecard, and that furthermore the absence of a clearly defined marking scheme or specifications of each level of service, makes it difficult to understand differences in scoring across each local authority.

The balanced scorecard with its five core aspects – public interest, private customer, internal business, continuous improvement and finance – was tested with Local Authorities during this research process. These areas were deemed to be correct by 72% of the Local Authorities (23 of 32) however concerns were raised about the extent of overlap between the different areas – in particular continuous improvement. Not all Local Authorities considered that these five areas were clearly defined (18 of 32 stated this).

The majority of Local Authorities (26 of 32) noted that the audit process could be strengthened with clearer guidance and definitions relating to outcome expectations and content, greater focus on the customer and stakeholder engagement and technical checks. A number of verifier organisations also called for the inclusion of important aspects to the audit process such as licensing, stakeholder engagement, defective/dangerous build, enforcement, sports ground safety and whether warrants issued were competent.

This research argued strongly for a focus on performance outcomes and reporting of Key Performance Indicators (KPIs), and made a recommendation that KPI returns be made to the Scottish Government quarterly – or at the least several times a year. The report recommended KPIs founded what it considered to be the most fundamental aspects of the verifier role - serving the public interest and meeting customer needs. Local Authorities interviewed in relation to case study development within the Optimal Economics research stated that for customers, “speed of handling and consistency are the main issues…predictability of timescale for decision is the most important thing”.

A number of Local Authorities asked to consider performance indicators as an alternative to the balanced scorecard stated a preference for more prescriptive standards, but that KPIs should not replace the audit process, and that a broader
view of performance is maintained rather than a sole focus on “the things you can measure”.

The Scottish Association of Building Standards Managers (SABSM) presented a ‘Case for the Appointment of local authority verifiers’ in which the future core principles were outlined to include:

- Protect the customer
- Protect the public
- Deliver Government aims (better compliance and better conservation of energy use; reduction of carbon emissions)
- Challenging time-based performance targets
- Improve consistency
- Predictable service offering value for money
- Monitor compliance

This report cautions against any major overhaul of the existing system, and emphasises the fundamental importance of public service – protecting the public interest, providing a non-discriminatory, transparent and consistent service for customers, sharing best practice through peer review and benchmarking, and ensuring the provision of appropriately qualified (including consideration given to succession planning). SABSM is keen to see a culture of continuous improvement firmly embedded within all verifier organisations, underpinned by stretching, measurable targets.

Additional research carried out by Optimal Economics in 2011 states that the Reasonable Inquiry process should first and foremost underpin compliance with building regulations. Their report produced in October 2011\(^{10}\) notes that the process of Reasonable Inquiry is clearly valued by the customer, and against a backdrop of resource constraints, a risk assessed approach to Reasonable Inquiry is best placed to allow for maximising resources where the risks are greatest.

Optimal’s research states that one clear model of Reasonable Inquiry, underpinned by a manual for verifier organisations, is the most effective way of ensuring a consistent approach. The report’s conclusions state that the model of Reasonable Inquiry should be based on a risk assessment process which considers:

- where the greatest risks of non-compliance exist;
- where the consequences of non-compliance are greatest;
- and where reasonable inquiry is most likely to be effective in ensuring compliance\(^{11}\).

The proposed model of Reasonable Inquiry is based upon four stages as follows:

- Stage 0: Pre-Reasonable inquiry
- Stage 1: Risk Assessment and Reasonable Inquiry Plan
Stage 2: Site Work
Stage 3: Completion

Three main phases of construction are defined as:

- **Early**: foundations, open drains and other site works would be available to view.

- **Intermediate**: the superstructure would be part complete, but still allow issues such as fire protection, structural connections and insulation to be viewed.

- **Completion**: near to completion the inspection would consider a range of issues on fire management, services and building performance.

The report also sets out guidance on risk assessment, categorised by domestic and non-domestic construction.

**Customer experience and the sustainability agenda**

A clear message that has emerged not just from the desk research but also from the primary research with key stakeholders (see section 2.3), is that the customer experience is of fundamental importance for effective verification. Pye Tait has therefore carried out an assessment of customer experience or engagement activities and approaches across a range of other sectors.

This desk research has identified the critical importance attached not only to gathering insights from customers, but of responding to this intelligence quickly and effectively. Organisations that pride themselves on their customer engagement typically utilise a range of channels through which to gather and analyse feedback. We reviewed strategies and KPIs relating to the customer from the following organisations:

- Tesco
- National Express
- Marks & Spencer
- Daventry District Council
- TNT
- Waitrose
- British Airways
- Asda
- BOC
- Steria

A summary of the approaches typically adopted to ensure the most effective
customer engagement and experiences are outlined in the table below:

<table>
<thead>
<tr>
<th>Approach</th>
<th>Impact</th>
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<tbody>
<tr>
<td>Customers able to send text messages while on route to feedback on their experience (National Express)</td>
<td>Enables immediate feedback to be obtained and analysed in real time</td>
</tr>
<tr>
<td>Customer ‘Question Time’ – 115 events hosted during 2010, during which time nearly 9,000 customers attended to give their views (Tesco)</td>
<td>Informal setting enables greater detail to be extracted from customers – ultimately finding out their needs allows the service to be tailored to meet those requirements.</td>
</tr>
<tr>
<td>Management tool – ‘Steering Wheel’ divided into four categories, of which customer is one. KPIs are set for each category spanning ‘demanding but achievable targets’ (Tesco)</td>
<td>Performance against KPIs is reported quarterly to the Board and a summary report sent to managers to cascade to staff. Remuneration of senior management is informed by performance against KPIs.</td>
</tr>
<tr>
<td>Commitment to effective communications providing clear and accurate information using plain English, avoiding jargon and in a range of languages as required (Daventry District Council)</td>
<td>KPI set to reflect commitment – replies to emails within 1 working day and face-to-face meetings within 10 minutes of a drop in at the Council offices.</td>
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<tr>
<td>Clearly defined customer promises published on website (TNT)</td>
<td>Customers know what to expect and understand how to communicate with TNT</td>
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<tr>
<td>On-going customer surveys carried out and result measured and shared with staff (British Airways)</td>
<td>Results used to help understand stakeholders and inform business planning</td>
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<tr>
<td>Range of customer feedback mechanisms employed to understand the specific issues and challenges they face - from this knowledge a hypothesis is built after which point focus groups are used to bring customers together, test out the hypothesis, listen to their additional views and act immediately upon the feedback (Steria)</td>
<td>KPIs set in relation to timescales for acting upon customer feedback, and responsibility for the task clearly allocated.</td>
</tr>
<tr>
<td>Use of ‘Rant and Rave’ system, a multi-channel customer insight service designed to collect customer feedback at the point of experience. Data are processed immediately and analysed into multiple categories, after which actions are identified and sent to a relevant member of staff (BOC)</td>
<td>Information provided in real time enables BOC to act upon this immediately for the benefit of customers; furthermore feedback is used to shape staff training and development.</td>
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It is also clear to see that the emergence of the sustainability agenda is impacting upon KPI development among market-leading organisations. For example, in addition to performance indicators for financial and operational efficiency, Tesco’s KPIs reflect sustainability of society, economy and community with targets such as local sourcing, landfill avoidance and improving energy efficiency.

Marks & Spencer’s ‘Plan A’ was launched in January 2007 and now has 180 commitments to be achieved by 2015 to support the organisation’s goal of becoming the world’s most sustainable retailer.

### 2.2 Findings from stakeholder interviews

#### 2.2.1 Core strengths

The functional requirement for building standards in Scotland shows a recognised commitment to meeting the demands of the Building (Scotland) Regulations. The building standards system is pre-emptive and ensures consent is obtained and a building warrant issued before any works can be carried out. There is also a general feeling among stakeholders that the system, by and large, contributes to buildings that are ultimately safe and of sound quality.

Historically the ‘balanced scorecard’ model has enabled Local Authorities to engage in focused internal discussions around building standards performance improvement – strengthened further where Local Authorities are able to work closely, and encourage buy-in, from other departments such as Planning. The publication of individual Local Authorities’ balanced scorecard reports, as well as the results of the Scottish Government’s audit, ensures building standards operate in a spirit of openness and transparency. Indeed the Scottish Government is committed to a team-work approach on the basis that the Building Standards Division and Local Authorities are all seeking to work towards the same goals, i.e. the achievement of strong and consistent standards for verification.

According to the majority of stakeholders, the role of Local Authorities in building standards verification ensures a service that is independent and impartial, offering local knowledge, local focus and accountability, whilst also being protected by a national legislative framework. Local Authorities are generally perceived to be committed to Continuous Professional Development, meaning that surveyors are often experienced and committed to their own improvement. Furthermore, developers involved in building projects may also benefit from dealing with the same personnel within local authorities, providing the opportunity for improved customer engagement through mutual understanding and relationship-building.

#### 2.2.2 Issues and challenges

Lack of consistency within the current system was highlighted by stakeholders as the most important issue by almost all stakeholders, on the basis that each verifier can form its own interpretation of the Building (Scotland) Regulations and the
developers are required to work with a particular local authority depending on where
the work is taking place – leading to a situation of “no escape” where the verification
process is considered by the developer to be less than satisfactory.

Several stakeholders described the current verification system as inadequate, with
approaches to Reasonable Inquiry considered “farcical” and inspection levels
generally believed to be minimal. There is a general call for more inspections
through each phase identified as “critical” in building development, thereby ensuring
the verifier fully understands the nature of a project and reducing the risk of issues
and delays further down the line when the developer seeks a completion certificate.

One stakeholder described the case of a local authority which classed an attic
conversion as a new development, thereby stipulating additional requirements and
considerations at substantially increased cost to the client. Several stakeholders
supported the view that improved guidance should be provided to verifiers on how
to interpret the Building (Scotland) Regulations more consistently.

Speed of response is a significant issue, with the majority of stakeholders referring
to slow turnaround times for the approval of building warrants and granting of
completion certificates. The issue of efficiency is exacerbated by developers
encountering different experiences across different Local Authorities, leading to the
question that if one can deliver in a given timescale, why can’t others do the same?

Another key issue is one of customer service generally, with frustration on the part
of developers resulting from several factors, including: delays in the granting of
warrants and certificates; inconsistencies between Local Authorities; as well as an
apparent unwillingness on the part of verifiers to recognise the commercial needs
and drivers behind all development proposals. One stakeholder described the
possible local economic impact of delays and inconsistencies by referring to the
case of a multi-branch retail outlet that could have easily changed its planned
location had it been unable to achieve a timely response to an application.

2.2.3 Underlying issues within local authorities
There are believed to be a number of challenges facing Local Authorities that might
lead to inconsistencies in building standards verification and could impact on what
might be considered feasible as part of a new set of national KPIs.

A notable issue is believed to be resourcing, with verifiers under pressure to make
financial cutbacks; indeed evidence from Optimal Economics research highlights a
reduction in verification staff from 562 FTE\(^\text{13}\) in 2007/8 to 530 FTE in 2009/10.
Linked to this issue there is particular concern among some stakeholders that
reducing staff numbers do not align with an increasingly complex world of regulation
placing a growing burden on Local Authorities.
Geographical coverage and volume of staff per local authority area may impact on activity levels and performance, with rural authority resources believed to be spread more thinly. Not all Local Authorities are understood to employ specialist verifiers, with smaller authorities (in personnel terms) believed to outsource specialist functions more readily, such as engineering standards verification.

Budget allocations within Local Authorities may also affect building standards verification - an issue which could be heightened depending on strength of leadership and how successful Building Standards Managers are at being able to negotiate and agree on financial allocations for their department. This may be due, in part, to lack of effective career progression, meaning that some Building Standards Managers enter the role with more experience and expertise than others.

Finally, attitudinal issues within Local Authorities may lead to a resistance to change. Indeed a small number of stakeholders commented that a lack of competition within the system means that each tends to believe its own operating procedures are the most effective approach.

### 2.2.4 Best practices

Best practices for building standards verification are typically believed to relate to:

- extent of compliance with the building regulations;
- adherence to acceptable process timescales;
- approaches to Reasonable Inquiry;
- achievement of Industry ‘badges’ such as Investors in People (IIP);
- commitment to training and Continuous Professional Development;
- staff engagement activities;
- effective working relationship with customers (such as the use of efficient and appropriate channels of communication);
- customer service and insight activities;
- financial control and scrutiny; and
- publication of success stories.

### 2.2.5 Key considerations for developing and implementing national KPIs

A standardised approach to building standards verification needs to prove the worth and value of the system. It should have the customer at its heart so that national KPIs have a tangible meaning for the end user and are not merely a tool for audit purposes. One stakeholder commented that league tables may lead to Local Authorities becoming too focused on their results position without thinking critically about how they got there; furthermore that national KPIs need to be much more customer-focused, with attention to customer care and quality.

Verification activities should involve a greater willingness on the part of the verifier to accept the commercial pressures on customers, i.e. that “time is money”; coupled with a consistent approach to accepting due diligence and staged evidence of works so there are no unexpected issues and delays at the point of completion.
The development of a consistent approach requires effective and efficient use of resources, supported by appropriate levels of help and guidance. Agreement is needed on fundamental elements of the process such as what should be inspected, when it should be expected, and what level of inspection is required.

Development of the KPIs themselves needs to be outcome-focused, requiring a mixture of quantitative and qualitative evidence – the latter considered particularly important concerning customer service measures. The KPIs should be:

- robust;
- measurable;
- challenging but realistic;
- supported by clear evidence that can be easily captured;
- future-proofed against changes to legislation;
- able to clearly indicate best practices and priorities for performance improvement;
- not too onerous so they become a burden from a monitoring and audit perspective;
- supported by explanatory notes so they can be easily interpreted.

### 2.2.6 Scoping the types KPIs and evidence required

Interviews with stakeholders resulted in many common suggestions for suggested measures to be included as part of a set of national KPIs. These are listed below:

- **Response timescales**
  
  *May involve setting timescales for outputs and monitoring against those timescales; speed indicators may be more critical for smaller projects*

- **Quality of assessment**
  
  *May be more important for larger projects and where bespoke building requirements are included as part of the design*

- **Quality of leadership**
  
  *Measurable through internal staff engagement surveys*

- **Compliance with Building Regulations**
  
  *Measurable by validating that verification activities have covered all required areas of investigation*

- **Adherence to agreed protocols as part of Reasonable Inquiry**
  
  *This may involve identification and agreement with the customer on the critical points for inspection (including re-inspection) and whether these should be stage-based or risk-based*

- **Professionalisation of staff**
  
  *Measurable through the recruitment/up-skilling/retention of staff with the required qualifications to best perform in the role*
Customer experience

Measurable via follow-up activities such as questionnaires and focus groups; possible inclusion of ‘customer emotional journey mapping’ to measure how different stages of the verification process have impacted on customer satisfaction levels

Safe and sustainable buildings

Measurable through number of injuries and/or structural collapses

2.3 Findings from KPIs operating in England, Wales and Northern Ireland

2.3.1 Building Control in England and Wales

Before 1997 there were only two bodies operating in the Building Control arena in England and Wales: Local Authorities and NHBC Building Control Services Ltd - an Approved Inspector. In the face of emerging competition the associations representing local authorities developed a model policy and level of service document which was adopted by most councils. The operations of NHBC Building Control Services Ltd. were governed by policy guidelines endorsed by Ministers of the day at the time the company was approved\(^{14}\).

January 1997 saw the approval of many more Approved Inspectors and agreement was reached to set up a Building Control Services Steering Group to recommend industry wide Performance Standards under which Building Control Bodies (BCBs), public and private sector, could offer competing services and against which all could be measured. It was considered essential that those Performance Standards be kept under on-going review.

The latest updated Performance Standards (published by CLG in 2006) relate to:

- Policy;
- Resources;
- Consultation;
- Assessment of plans;
- Site inspection;
- Certificates at completion;
- Archiving of records;
- Continuing Professional Development;
- Review of performance;
- Management systems;
- Business ethics;
- Complaint procedure\(^{15}\).
In April 2004, the Building Control Performance Standards Advisory Group (BCPSAG) and the then Buildings Division of the Office of the Deputy Prime Minister (ODPM) appointed a firm of consultants to undertake a project to construct a set of performance indicators that would:

- assist Building Control Bodies – i.e. local authorities and Approved Inspectors – to assess their own service quality;
- give bodies with a central responsibility or concern for the quality of building control a means of identifying Building Control Bodies whose service characteristics appeared unusually good or poor.

A set of indicators was developed and piloted with a sample of local authorities and Approved Inspectors. BCPSAG then published the indicators in 2006.16

The Performance Indicators developed by the BCPSAG relate to:

1. Best practice service delivery;
2. Consultation with Fire and Rescue Authorities;
3. Staff skills;
4. Staff development;
5. On-site input;
6. Ensuring compliance.17

A key difference between the England and Wales system, compared with Scotland, is the competitive environment in which Building Control operates, with Local Authorities and private sector Approved Inspectors (individuals and organisations) offering their services to developers.

The KPIs developed by the BCPSAG are not mandatory and anecdotal evidence suggests there is currently limited uptake across England, with less than 10 per cent of local authorities using them to undertake formal reviews of performance and little or no action taken as a result of performance reports being submitted to the BCPSAG. Having said that, private sector Approved Inspectors are incentivised to complete and submit reports on performance standards to the Construction Industry Council (CIC) in order to support license renewal applications.

The member organisation Local Authority Building Control (LABC) is understood to be working to develop a revised set of KPIs that will pay closer attention to compliance issues and quality of building output. The existing KPIs are understood to have developed through conflicting public and private sector involvement and there is an identified need to develop revised KPIs that are more meaningful to local authorities across England and Wales.

While inconsistencies are still reported by stakeholders involved in the England and Wales system - a key strength of this system is that a site inspection plan is provided to the customer at the earliest opportunity so they know what to expect, coupled with the fact private sector Approved Inspectors are not restricted by a
defined geographical area.

2.3.2 Building Control in Northern Ireland
In Northern Ireland, Local Councils are coordinated into five ‘Building Control Groups’, each of which consists of a Committee to coordinate the provision and monitoring of Building Control Services. Each Council is directly responsible for the management and effective delivery of Building Control services, as well as the appointment and employment of their own Building Control Staff.18

The Department of Environment (DoE) is encouraging councils to develop their own KPIs. It is the responsibility of each district council to enforce the requirements of the regulations and having taken reasonable steps to ensure the requirements of the regulations have been met, to “sign off” a building project for compliance. It is left to Councils to determine what steps need to be taken - there are no mandatory inspections laid down.

KPIs are not universally applied across Northern Ireland at this stage, with some Councils reported to have adopted measures while others have not. Anecdotal evidence suggests there is general enthusiasm among Group Chief Officers to introduce an overarching audit system but concerns exist around who would take responsibility and that not all Building Control Officers would welcome it.

The DoE does operate its own set of Performance Indicators relating to Building Control although one stakeholder responding to the research commented that these are highly process-driven. There is also no mandatory requirement for Councils to submit returns on performance.

The DoE’s Performance Indicators are set out below:

- **BC1**: Percentage of domestic full plans applications receiving a first assessment within 21 days from date of receipt.
- **BC2**: Percentage of non-domestic full plans applications receiving a first assessment within 35 days from date of receipt.
- **BC3**: Percentage of resubmissions (amended plans/information) assessed within 14 days.
- **BC4**: No. completions per annum/no. commencements per annum expressed as a percentage.
- **BC5**: Percentage cost recovery of the Building Regulations Service.

One Building Control Group is currently developing a suite of suggested compliance audit measures to roll out across its Councils, under the following broad headings:
One Building Control Group is currently developing a suite of suggested compliance audit measures to roll out across its Councils, under the following broad headings:

- **Financial Measurement**
  - Financial control;
  - Financial measurement.

- **Plan Assessment**
  - Application, documentation and use of data;
  - Receipt and validation of applications;
  - Customer contact and consultation;
  - Plan assessment methodology;
  - Communication and records;
  - Technical accuracy;
  - Performance Indicators.

- **Site Inspection**
  - Inspection requests;
  - Distribution of inspections and pre-site checks;
  - Site protocols;
  - Recording of inspections.

- **Staff Development**
  - Staff training.

- **Customer and Quality Initiatives**
  - Collecting customers’ views and comments;
  - Availability of information to customers;
  - Availability of customer training;
  - Processes and process audit.

- **Enforcement**
  - General enforcement standards;
  - Enforcement arising from plan assessment;
  - Enforcement arising from site inspections.

### 2.4 Findings from KPIs operating in other Scottish LA functions

For comparison purposes and to identify examples of best practices operating beyond the building standards system in Scotland – KPIs operating across a sample of five Scottish local authority departments have been collated and analysed.

The Local Authorities and associated departments include:

- East Renfrewshire (Planning and the Environment);
- West Lothian (Education Services);
West Dunbartonshire (Educational Services);
Edinburgh (Rubbish and Recycling);
Moray (Libraries and Museums).

Analysis of standards and KPIs identified that they may be grouped under the following broad headings:

- Customer services and engagement;
- Business process;
- Quality;
- Communications;
- Workforce development.

The full suite of collated KPIs in respect of each local authority is presented in Appendix 2.

### 2.5 Findings from Building Standards Verification Organisations

Interviews with the building standards verifier organisations in Scotland took place following the development of the first draft KPIs. These interviews were used to refine and test initial thoughts and gain additional intelligence that was then used to shape the second draft KPIs. These were then reviewed and refined in discussions with the Scottish Government Building Standards Division.

Further consultation took place with a sample of verifier organisations via a round table seminar, and all verifier organisations were given the opportunity to comment on the third draft KPIs; this feedback has been taken into consideration when developing the final KPIs as presented in Section 4.2.

A summary of the feedback from the interviews, seminar and online portal comments is presented below.

There is general consensus that the headers proposed within the framework are fit for purpose as all of these aspects are of importance to the process, and interviewees did not note any obvious gaps.

Respondents noted that the headers in the framework mirror those identified in the balanced scorecard as being in the public interest. There is a clear commitment from verifiers towards the assessment of quality (especially as the public interest is vital and end users of the buildings must be protected).

Currently verifiers operate to at least four KPIs – two in relation to application stage, and two in relation to completion stage (legacy of historical KPIs that have been
retained) and acknowledge that for the most part performance has been measured on speed rather than specifically on quality. Verifiers are keen that the new national KPIs do not impose an onerous administrative burden, or include too many indicators – the preference is clearly for a small number of robust, meaningful KPIs with guidance to explain evidence requirements and to demonstrate how performance will be assessed.

It is vitally important from the verifier perspective to avoid a situation where information is recorded and analysed, yet does not result in improvements i.e. ‘number-crunching’. In their role as verifiers local authorities are seeking to incorporate any performance monitoring for building standards into their already extensive and robust reporting mechanisms. This should not be a significant additional burden.

In relation to the customer, verifiers note that of particular importance to the customer is time and money – how long the application will take to complete, and how much it will cost in the process. With this in mind, authorities accept that speed needs to be included within the KPIs - but not at the expense of quality. To some extent visibility and accessibility of the person/people dealing with their application is also important to customers; as is ‘keeping their (authority) promises’. As certain aspects of the verification process are reliant on third parties – verifiers emphasised that they have no control over the likes of applicants, architects and agents and the time they may take to supply relevant documentation or responses – which can be an issue for the external customer.

There were some variations in the descriptions of customers; some referred just to agents, applicants and architects; others stated that the end user of the building was also a customer and some noted that everyone that comes into contact with the building standards verification team or with the buildings should be viewed as a customer. Whilst few authorities proactively and formally segment customers into different groups, most are aware of and acknowledge the differences – for example ‘one off’ customers likely to have just one interaction with the verifier, and agents that will be in regular contact.

Some respondents noted that performance measures specific to the customer could be met through the adoption of the already rigorous standards of Customer Service Excellence. Similarly it was noted that the ISO quality standard, where held, could act as a form of ‘passport’ where evidence requirements are similar to those required by the KPI.

At present local authorities use a mix of different databases for recording information - such as Uniform, Enterprise, Flare and Accolade. While there are slight differences between packages, by and large they should enable authorities to record and monitor similar data – however the capacity to generate reports detailed the same data/in the same or very similar format (i.e. to enable comparison of like for like) may need to be addressed.
A number of authorities acknowledged that they are not utilising their software, such as workflow monitoring packages, as fully as possible and that there would be scope to maximise efficiencies here. Verifiers note that it is not possible to accurately forecast fee income as this is dependent on the numbers and types of applications each year.

Although not all verifiers were supportive of a league table of performance – a number stated that this, or something similar, would be helpful in enabling benchmarking and to encourage improvement. At the moment peer review and benchmarking typically takes place via consortia groups, which are largely perceived to be a beneficial part of the process, however most authorities accept there is a gap in ensuring consistency at a national level, and would welcome a national forum of some kind (potentially to be hosted via the SABSM website).

Verifiers were positive about the role of SABSM, stating that this group seeks to make constructive improvements and bring verifiers together to share intelligence. However it was acknowledged as a potential concern that SABSM has no legal powers to enforce change.

Reviewing the draft KPIs, verifiers noted that any kind of appeals process suggesting that customers could seek a review of the technical decision, would be likely to result in a high number of appeals from customers who do not fully understand the technical aspects seeking the overturning of a decision – when in fact this would be a highly unlikely outcome. However verifiers were more supportive of a process enabling customers to take their application to another authority, if for example the turnaround time was very slow or the communications had been poor.

Respondents have also stated that authorities have robust internal processes in place to address performance of their leaders, and that incorporating measurement of leadership within building standards specific KPIs is unnecessary.

While quarterly reporting was broadly accepted as a useful means of tracking performance and progress, verifiers strongly emphasised that annual, rather than quarterly improvements, are more appropriate as indicators.

The suggestions to be taken into consideration in relation to Key Performance Indicators arising from the interview process span:

**Professional Expertise and Processes:**
- Professional expertise/experience of staff will indicate the quality of the work they carry out - therefore commitment to training/CPD would be an effective indicator
- Customer satisfaction with the work carried out
• Number of building failures/flaws
• Risk assessment protocols
• Quality monitoring processes in place
• Quality checks – random sampling of 10%
• Succession planning (to ensure appropriately qualified staff)

**Effective Customer Experience:**
- Commitment to securing consistency of customer service
- Customer satisfaction and whether it improves over time
- Understanding of customer needs and acting upon the information
- Acting upon customer feedback, not just collating it
- Standard customer satisfaction survey (same questions asked across each authority)
- Number of complaints received
- Speed important to the customer so must be included as a measure in some form
- Setting and adhering to expectations
- Measure on fast track applications

**Operational Improvement:**
- Appropriate use of income (efficiencies/productivity)
- The extent to which fees re-invested back into Building Standards Verification
- Mix of time spent on verification and non-verification activities
- Most appropriately qualified/experienced staff allocated to appropriate work
- Investment in infrastructure e.g. IT
3. Conclusions and Suggestions

3.1 Conclusions

The key messages that have emerged from the research process is the critical importance of the following aspects in ensuring a robust verification process, and appropriate measures of its performance:

- Public interest
- Consistency underpinned by quality and accuracy
- Accountability
- Sharing best practice and benchmarking
- Culture of continuous improvement
- Transparency and integrity
- Time-based performance targets
- Clear definitions of what evidence should be offered of quality performance
- Compliance with regulations
- Meeting of customer needs especially in relation to timeliness of responses and effective communications
- Robust processes
- Commitment to training and development
- Addressing concerns of succession planning (due in part to an ageing workforce and impact of budget cuts)

The public interest is a vital part of success; ensuring compliance with regulations and above all – keeping the public safe.

Continuous improvement is a critical success factor in relation to ‘raising the bar’ for quality, compliance, and in particular - consistency. Whilst the introduction of the balanced scorecards resulted in positive progress and a stronger focus on customer service in particular, the approach did not enable a consistent approach to monitoring and measuring performance. A lack of consistency within the current system was highlighted as the most important issue by almost all stakeholders. Embedding a culture of continuous improvement must be underpinned by a greater focus on peer review, benchmarking and sharing of best practice at a national, not just regional level.

Assuring that the customer experience is a positive one can only be achieved through a strong commitment to quality-driven processes, on-going training and development and stretching targets encouraging regular improvements. Speed of turnaround as well as accuracy of decision-making, professional and regular communications are all of importance to the building standards verification customer.

In this context, the customer can be defined not just as the applicant, but any user of the building standards verification service, or any individual or organisation that has cause to interact with the verifier. Whilst all verifiers have Customer Charters in place, not all have set broader goals in support of on-going customer engagement, focusing not just on identifying customer needs, but learning from feedback on a
regular basis, and ensuring that appropriate changes are put into practice. There needs to be a cultural shift towards ensuring that the customer experience remains positive and a focus of continuous improvement.

The iterative process of KPI development is demonstrated by the changes evident in each subsequent draft (contained at Appendix 1) – taking all feedback on board the KPIs have been refined to ensure:

- A small number of robust and measurable KPIs
- A focus on continuous improvement. For this reason no baseline of ‘what good looks like’ has been defined here – as the focus should be about an ongoing ‘raising of the bar’ as opposed to reaching a set standard, and simply remaining at this level
- That the final KPIs are the core measures, with aspects more relevant to day-to-day management and delivery of the verification service included as suggestions for the protocol, business plan and Customer Charter
- That aspects considered too difficult to measure were removed
- That KPIs with similar objectives have been merged together to avoid unnecessary duplication
- That total turnaround time of a building warrant application process be measured – as it is important to understand where issues need to be addressed, potentially through representations to Government about the way in which the system operates - but that verifiers should only be measured on their own performance i.e. not the time-critical aspects of the process that are under the control of third parties
- That existing evidence be used where relevant – for example where verifiers possess Investors in People, Customer Service Excellence or ISO certification
- That the only complaints/appeals mechanism to be recommended focuses on customer satisfaction with the way in which the application was handled, rather than the technical decision

### 3.2 Suggestions

1. It is suggested that the national set of KPIs proposed in Section 4.2 below be adopted and reviewed after a period of two to three years, to ensure sufficient time to collect and analyse baseline data and determine the impact of the KPIs in improving performance. Upon review the Scottish Government should consider whether the existing KPIs remain fit for purpose and identify where revisions are
2. A detailed KPI manual offering guidance and suggested evidence requirements should be developed for use by the verifiers – this should include clear explanations of each KPI and templates to measure performance in a consistent manner. It is suggested that the manual includes quality assurance and peer review template forms and guidance, as well as guidance for capturing and addressing customer feedback – for example through recommended questions and format, and type of approach e.g. survey, focus group etc. The manual should also include the procedures for handling customer requests that a different verifier assess their application (see point 7).

3. All verifiers should operate to the same approach when undertaking quality assurance and peer review, and the approach to gathering and analysis of customer feedback should also enable the measurement of performance in a consistent manner across all verifier organisations. It is proposed that this would predominantly be achieved through guidance and forms provided in the KPI manual, including a customer questionnaire to be developed for use nationally, that will align with the Customer Service Excellence standard.

4. It is proposed that convening a National Forum for verifiers would be substantially beneficial to underpin greater consistency and a stronger focus on sharing of best practice to influence and inform continuous improvement. Logically SABSM is in the best position to manage such a Forum, and host a dedicated microsite or section on the existing website to share intelligence resulting from Forum meetings and discussions.

   It is suggested that Forum meetings take place at least quarterly, with an agreed protocol of sharing information on a more regular basis via email and online documentation. Of vital importance is the inclusion within the Forum Terms of Reference, of a commitment to identifying trends and aspects of best practice – for example in relation to what can be learned from customer feedback and potentially adopted by other verifiers. The appointment of working groups to look specifically at consistency and continuous improvement is recommended.

5. Reporting of performance against KPIs should take place on a quarterly basis – this is important to enable issues and good practice to be highlighted and addressed on a regular basis, and also for particular concerns to be identified at as early a stage as possible. Major concerns about performance should be addressed either through an audit or peer review over and above existing plans to carry out such activity.

6. IT and software packages used by verifier organisations should be reviewed and upgraded where necessary to ensure consistent reporting, and to surmount any potential issues in relation to the administrative burden of collating and reporting on performance data.
7. Where verifiers do not already have a complaints mechanism in place for customers, this should be adopted to enable customers to ask an alternative verifier organisation to assess their application if dissatisfied with the level of service (including time taken and customer communications) received from the first verifier organisation. It is not intended that this complaints mechanism enable customers to request a review of the technical decision, and is focused solely on the level of customer service received.
4. Key Performance Indicators

4.1 Explanation of KPIs and Framework

KPIs have been formulated to be measures of performance, and have been developed – as far as possible – to follow SMART criteria:

1. Specific purpose
2. Measurable
3. Achievable
4. Relevant
5. Time-based

Research has resulted in the development of three broad core outcome headers:

- Professional Expertise and Processes
- Effective Customer Experience
- Operational Improvement

Each of these broad headers is supplemented by three themes which are cross-cutting in nature and span all three outcomes:

- Public interest
- Continuous improvement
- Consistency

Our research indicates that these should not be viewed in isolation – these themes span all aspects of building standards verification strategy, operational delivery, internal and external relationships. Hence these have been classified as cross-cutting themes rather than separate outcomes.

Additional has been identified through the research process as appropriate for inclusion within the set of protocols, customer charter and business plan that each verifier organisation will need to have in place, and this information is presented with the KPIs in Section 4.2 below.
The framework for the KPIs is summed up in the following diagram:
4.2 Final Proposed Key Performance Indicators, Protocols, Business Plan and Customer Charter Information

<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Notes</th>
<th>Reasons for inclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1</td>
<td>Annual reduction in the total time in working days from:</td>
<td></td>
<td>The intention of this KPI is to encourage faster responses for customers, as our research shows that for the majority of customers, speed of turnaround is critical. The intention is not to undermine the quality of the application process, but promote greater productivity and also for verifier organisations to seek to influence third party input into the building standards process and encourage behaviour and process change for the benefit of the customer. Outputs may in time be able to influence behaviour of third parties.</td>
</tr>
<tr>
<td></td>
<td>a) receipt of valid application to granting of building warrant*;</td>
<td>In measuring this KPI, there will need to be a process that measures all aspects of the turnaround time as well as those aspects specifically in the control of the verifier organisation. It is proposed that software is updated to enable this to take place quickly and easily. This will enable verifier organisations to measure the aspects of the process directly under their control – against which their performance will be measured – and aspects under the control of third parties such as the customer or their representative. Verifier organisations have emphasised the importance of continuing to measure the time taken from a valid application to the 1st technical response by a verifier however performance should not be measured on this alone.</td>
<td>Measuring the total time for approval of a building warrant is important feedback for keeping customers up to date as well as enabling verifier organisations to identify where efficiencies could be made. It is acknowledged that measuring the time from submission to 1st response of a completion certificate is necessary to enable verifiers to continue a flexible approach when responding to completion submissions. Verifier organisations should monitor the differences between time taken to turnaround domestic and non-domestic building applications. Quarterly reporting should be undertaken to measure performance in relation to this KPI, with the objective of achieving improvement on an annual basis.</td>
</tr>
<tr>
<td></td>
<td>and</td>
<td></td>
<td>----------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>b) submission of a completion certificate to 1st response by a verifier</td>
<td>*Verifier performance will only be judged on the time critical aspects directly in their control – not those aspects directly in the control of third parties, although total time will need to be measured</td>
<td>----------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Ref</td>
<td>KPI</td>
<td>Notes</td>
<td>Reasons for inclusion</td>
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<tr>
<td>A2</td>
<td>Annual improvement in the quality and consistency of the building standards verification process</td>
<td>Evidence will include results from sample checks and internal audit reports and results from peer review and benchmarking activities. Improvement can be measured by a decrease in the number of errors/issues identified and/or increase in audits with zero errors. Where evidence is available this may also consist of problems reported about buildings previously subject to the verification process – on the basis that if the Reasonable Inquiry process is effectively adhered to, the ultimate end user of the building should be protected from risks such as building collapse.</td>
<td>The intention of this KPI is to promote quality of assessment and effective adherence to the Reasonable Inquiry process. This KPI also serves to protect the public interest – as the ultimate users of the buildings. The goal is to embed a process of peer review whereby quality assurance/audit is undertaken on a sample of applications* in-house and by other verifier organisations on an on-going basis. The aim is to promote consistency and improve quality. It is recommended that a uniform template is used for peer review and quality assurance. *It is suggested that 10% of applications are subject to quality review It is acknowledged that verifiers with ISO certification are already subject to checks of this nature and should be able to provide sufficient evidence from this process.</td>
</tr>
<tr>
<td>Ref</td>
<td>KPI</td>
<td>Notes</td>
<td>Reasons for inclusion</td>
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<tr>
<td>-----</td>
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<td>-----------------------</td>
</tr>
<tr>
<td>A3</td>
<td>On-going professional development (typically referred to as CPD) to enhance building standards verification staff performance, knowledge and understanding</td>
<td>Evidence may consist of personal development plans; training records; performance appraisals etc. This can be internal and is not dependent on the provision of external training courses. Continuing Professional Development (CPD) is defined as the skills and knowledge obtained, through proactive and measurable activities, which are used for both personal and career development (which may include membership of a relevant professional body).</td>
<td>The intention of this KPI is to encourage on-going learning and development among verifiers, and ensure that skills, knowledge and understanding remains fit for purpose. On this basis verifiers are most likely to provide a quality and consistent standard of service to the customer.</td>
</tr>
</tbody>
</table>
Protocols to underpin Professional Expertise & Processes KPIs

- Accurate decision-making must be compliant with all relevant regulations for building warrant applications i.e. acceptance of certifier decisions; validation of supporting materials submitted
- There must be adherence to the new Reasonable Inquiry process
- Accurate background checks must be made at all times e.g. of certifier register or of the sufficiency of information submitted
- Risk management protocols must be in place that are fully compliant with building regulations and are reviewed and updated as necessary on a regular basis
- A sample of all building warrant applications should be subject to internal and external quality control/peer review assessment
- Consistency levels of technical decisions, communications and customer service should be monitored through an internal and external quality control process
- The use of risk management protocols should inform the allocation of appropriately qualified/senior staff to the right tasks
- Training must be provided to staff following updates to risk management protocols
- Data should be maintained and analysed to monitor trends in relation to applications e.g. types of problems, types of verifier interventions and best practice in relation to solutions identified shared internally and externally with other verifiers
- The verifier should ensure regular attendance at and engagement with the National Forum for verification activity
<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Notes</th>
<th>Reasons for inclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1</td>
<td>Annual reduction in the number of complaints made against verifiers</td>
<td>Evidence may consist of a reduction in the number of complaints and a reduction in the number of customers seeking the intervention of an alternative verifier.</td>
<td>The intention of this KPI is to improve the level of customer service offered, and to provide the customer with an alternative course of action if dissatisfied with the service (not the technical decision).</td>
</tr>
<tr>
<td>B2</td>
<td>Annual improvement in the customer experience</td>
<td>Customer experience includes the satisfaction of customers with the service. Feedback gathered from customers, analysed and utilised to improve the experience should include as a minimum: views on content/ease of use of website/guidance documents; expertise of staff; appropriateness of administrative processes; speed and quality of service; professionalism of staff; views on value for money offered; setting and managing of expectations.</td>
<td>Customer satisfaction is a vital aspect of the building standards verification process and the purpose of this KPI is to maintain and build upon on-going knowledge and understanding of the needs of different customers, a recognition that customers may be segmented into different groups (with different needs) and a commitment to responding most effectively to those needs and striving for continuous improvement in the customer experience. It is vital that customer feedback is not only captured, but that actions are identified and implemented in order to improve the customer experience. It should be taken into consideration that customers in this context can include any user or stakeholder/partner of the building standards verification service.</td>
</tr>
</tbody>
</table>
Use of Customer Charter to underpin Effective Customer Experience KPIs

- A Customer Charter (or similar as defined by the requirements of the Customer Service Excellence standard) should be in place and subject to regular reviews and updates with a view to ensuring on-going quality and consistency, and be informed following consultations with staff and internal and external customers e.g. other verifier organisations

- It is recommended that transparency for the customer is achieved through publication of KPIs and performance against them, within the Customer Charter

- Provision of information for customers should be available in a range of languages and accessible through a range of channels including use of technologies where relevant to improve the customer experience

- There should be provision of clearly defined processes for the gathering, analysing, storage of customer feedback in accordance with Data Protection Act legislation

- Gathering of customer feedback and commitment to improving the customer experience and interactions with customers should not be confined to the applicant, but should take into consideration potential stakeholders or consultees such as the Highways Department; Scottish Environmental Protection Agency; Scottish Water; own and other Local Authorities (particularly planning departments); certifiers; Historic Scotland; Fire Authorities; Sheriffs; Scottish Commission for the regulation of Care; Access Panels; Police; Scottish Association of Building Standards Managers; Health and Safety Executive and the Scottish Building Standards Division

- There should be clearly defined commitments to sending responses to customers by telephone, email or in writing within an agreed number of days, and inclusion where possible of information to the customer outlining the estimated number of days it will take to process their application
<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Notes</th>
<th>Reasons for inclusion</th>
</tr>
</thead>
</table>
| C1  | On-going engagement with local and national discussions in support of continuous improvement | Evidence could encompass commitment to attending meetings and the actions taken as a result of what have been learnt from discussions, and for example, development of best practice documentation to be circulated or published online.  
Discussion topics may include consistency; quality; raising standards; sharing good practice and other forms of peer review. | Research indicates a commitment to raising quality and consistency ideally through a national forum that will promote the sharing of best practice and the raising of standards. The intention of this KPI is to ensure on-going dialogue to promote continuous improvement across all verifier organisations. |
| C2  | Maximise efficiencies in use of income, resources and infrastructure | For example full utilisation of workflow systems and other databases to record, analyse and identify improvements.  
Efficient use of income may include reinvestment into building standards verification infrastructure, such as IT systems. Other evidence may include actions for succession planning. | The intention of this KPI is to ensure that resources and infrastructure can be fully harnessed to support the most efficient and productive delivery of services, and that there is investment as required into aspects necessary to deliver a quality service such as training and CPD, or IT systems. |
<table>
<thead>
<tr>
<th><strong>Use of Business Plan to underpin Operational Improvement KPIs</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>• There should be a clearly defined system in place for managing internal absences such as holidays and illness</td>
</tr>
<tr>
<td>• Process maps are recommended for all operational processes - e.g. recording receipt of applications; maintenance of records, prioritising urgent applications; chasing outstanding documentation and taking appropriate actions; checking validity of warrants – these should be fully adhered to and updated regularly</td>
</tr>
<tr>
<td>• Provision of a business continuity/disaster recovery plan should to be in place and training on these plans given to all relevant staff</td>
</tr>
<tr>
<td>• There should be a clearly defined system for setting the budget which should establish direct and indirect verification costs</td>
</tr>
<tr>
<td>• Leaders should ensure the provision of regular staff development appraisals – at least annually</td>
</tr>
<tr>
<td>• A Professional Development Plan should in place for all staff and should be reviewed during development appraisals</td>
</tr>
<tr>
<td>• There should be provision of quality training that considers policy, legislative and any other changes in the public interest</td>
</tr>
<tr>
<td>• Verifiers should have clearly defined systems in place to consider succession planning, identify risks, actions and implement e.g. grow your own strategy</td>
</tr>
<tr>
<td>• Monitoring and analysis of common issues should be used to shape internal training and development</td>
</tr>
</tbody>
</table>
### Technical Expertise & Processes

#### 1. Quality and accuracy of decisions

<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Reduction in number of appeals made against verifier decisions</td>
<td>TBC</td>
</tr>
<tr>
<td>1.2</td>
<td>Reduction in number of successful appeals against verifier decisions</td>
<td>TBC</td>
</tr>
<tr>
<td>1.3</td>
<td>Reduction in number of injuries sustained by individuals in buildings subject to the verification process</td>
<td>TBC</td>
</tr>
<tr>
<td>1.4</td>
<td>Reduction in number of building collapses or flaws in buildings subject to the verification process</td>
<td>TBC</td>
</tr>
<tr>
<td>1.5</td>
<td>Reduction of numbers of defective or dangerous buildings</td>
<td>TBC</td>
</tr>
<tr>
<td>1.6</td>
<td>Accurate decision-making compliant with all relevant regulations for building warrant applications i.e. acceptance of certifier decisions; validation of supporting materials submitted</td>
<td>80% of all applications</td>
</tr>
<tr>
<td>1.7</td>
<td>Accurate decision-making when using discretionary powers e.g. decision to inspect sites before issuing warrant</td>
<td>80% of all applications</td>
</tr>
<tr>
<td>1.8</td>
<td>Accurate background checks e.g. of certifier register; sufficiency of information submitted</td>
<td>80% of all applications</td>
</tr>
</tbody>
</table>
1.9 Maintain consistency working group internally

1.10 Maintain attendance at consistency working group across all verifiers; feedback from meetings to be disseminated among staff

<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Sample of all applications subject to quality control checks</td>
<td>10%</td>
</tr>
<tr>
<td>2.2</td>
<td>Risk management protocols in place that are fully compliant with building regulations and are reviewed/updated on a regular basis</td>
<td>Quarterly reviews</td>
</tr>
<tr>
<td>2.3</td>
<td>Building warrant applications assessed and responded to within 20 working days</td>
<td>80%</td>
</tr>
<tr>
<td>2.4</td>
<td>Building warrants issued within 5 working days following receipt of compliant technical information</td>
<td>80%</td>
</tr>
<tr>
<td>2.5</td>
<td>Completion requests sites inspected within 10 working days</td>
<td>80%</td>
</tr>
<tr>
<td>2.6</td>
<td>Completion certificate acceptance notices issued within 5 working days of receipt of compliant information</td>
<td>80%</td>
</tr>
<tr>
<td>2.7</td>
<td>Dangerous building reports/callouts actioned the same day</td>
<td>90%</td>
</tr>
<tr>
<td>2.8</td>
<td>Consistency levels monitored via quality control process</td>
<td>TBC</td>
</tr>
<tr>
<td>2.9</td>
<td>Building standards register updated on a daily basis</td>
<td></td>
</tr>
</tbody>
</table>
## 3. Staff training and development

<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Training provided to staff following updates to risk management protocols</td>
<td>Within 10 working days of updates made</td>
</tr>
<tr>
<td>3.2</td>
<td>Use of risk management protocols incorporated into allocation of appropriately qualified/senior staff to the right tasks</td>
<td></td>
</tr>
<tr>
<td>3.3</td>
<td>Provision of training in relation to sustainability targets e.g. reduction of carbon emissions from buildings</td>
<td></td>
</tr>
<tr>
<td>3.4</td>
<td>Provision of quality training in relation to technical skills and knowledge e.g. legislation and policy such as the Data Protection Act</td>
<td></td>
</tr>
<tr>
<td>3.5</td>
<td>Provision of quality leadership and direction for staff</td>
<td>TBC</td>
</tr>
<tr>
<td>3.6</td>
<td>Assessment of quality through peer review and benchmarking</td>
<td>TBC</td>
</tr>
<tr>
<td>3.7</td>
<td>Reduction in number of requests made to Scottish Government to review cases</td>
<td>TBC</td>
</tr>
</tbody>
</table>
## Effective Customer Experience

### 1. Customer Charter

<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Customer Charter to be in place and subject to regular reviews/updates following consultations with staff and customers. Transparency ensured by publication of KPIs and performance against them, within the Customer Charter</td>
<td>Review at least annually Form/frequency of consultation TBC</td>
</tr>
<tr>
<td>1.2</td>
<td>Acknowledgement of customer enquiries within 3 working days</td>
<td>80%</td>
</tr>
<tr>
<td>1.3</td>
<td>Response to customer enquiries within 10 working days</td>
<td>80%</td>
</tr>
<tr>
<td>1.4</td>
<td>Provision of guidance documents for customers in relation to sustainability/reduction of carbon emissions from buildings</td>
<td></td>
</tr>
<tr>
<td>1.5</td>
<td>Provision of information for customers to be available in a range of languages and accessible through a range of channels including use of technologies to improve the customer experience</td>
<td></td>
</tr>
<tr>
<td>1.6</td>
<td>Responses to applications clearly communicated to customers in plain English without jargon including the number of days anticipated for turnaround and expected completion date</td>
<td>100%</td>
</tr>
<tr>
<td>1.7</td>
<td>Reduction in length of time taken to turnaround applications</td>
<td>TBC</td>
</tr>
<tr>
<td>1.8</td>
<td>Increase in customer satisfaction (see 2.2 below)</td>
<td>TBC</td>
</tr>
</tbody>
</table>
## 2. Customer Interactions

<p>| 2.1 | Provision of clearly defined processes for gathering, analysing, storage (in accordance with Data Protection Act legislation) and acting upon customer feedback |
| 2.2 | Gathering of customer feedback spanning customer satisfaction in relation to (as a minimum): views on content/ease of use of website/guidance documents; expertise of staff; appropriateness of administrative processes; speed and quality of service; professionalism of staff; views on value for money offered |
|     | Feedback to be gathered at least twice a year |
| 2.3 | Best practice in relation to customer engagement to be shared and quality improved through peer review and benchmarking |
| 2.4 | Provision of quality interactions, communications and partnership working with key stakeholders e.g. Highways Department; Scottish Environmental Protection Agency; Scottish Water; own and other Local Authorities (particularly planning departments); certifiers; Historic Scotland; Fire Authorities; Sheriffs; Care Commission; Access Panels; Police; Scottish Association of Building Standards Managers; and Scottish Building Standards Agency |</p>
<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Maintain attendance at consistency working group across all verifiers; feedback from meetings to be disseminated among staff</td>
<td>Feedback shared within 5 days of meeting</td>
</tr>
<tr>
<td>1.2</td>
<td>Registration of building warrant applications within 5 working days</td>
<td>80%</td>
</tr>
<tr>
<td>1.3</td>
<td>Design of all operational plans to reflect strategic aims including sustainability targets to be set e.g. reduction of waste; reduction of carbon emissions; increased energy efficiency</td>
<td></td>
</tr>
<tr>
<td>1.4</td>
<td>Clearly defined system in place for managing internal absences such as holidays/illness</td>
<td></td>
</tr>
<tr>
<td>1.5</td>
<td>Process map for all operational processes - e.g. recording receipt of applications; maintenance of records, prioritising urgent applications; chasing outstanding documentation and taking appropriate actions; checking validity of warrants - fully adhered to and updated regularly</td>
<td>Reviewed at least quarterly</td>
</tr>
<tr>
<td>1.6</td>
<td>Improvements to ratio of applications versus completions per annum</td>
<td>TBC</td>
</tr>
<tr>
<td>1.7</td>
<td>Provision of business continuity/disaster recovery plan to be in place and training given to all staff</td>
<td>Plans reviewed at least annually</td>
</tr>
<tr>
<td>1.</td>
<td>Financial planning &amp; processes</td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>Increase in productivity - volume of work versus process time and customer satisfaction</td>
<td>TBC</td>
</tr>
<tr>
<td>2.2</td>
<td>Opportunities to maximise income reviewed and implemented</td>
<td>At least quarterly</td>
</tr>
<tr>
<td>2.3</td>
<td>Quality checks of the accuracy of financial data</td>
<td>10%</td>
</tr>
<tr>
<td>2.4</td>
<td>Provision of quality and efficient financial governance arrangements</td>
<td></td>
</tr>
<tr>
<td>2.5</td>
<td>Clearly defined system for setting budget which must establish direct and indirect costs</td>
<td></td>
</tr>
<tr>
<td>2.6</td>
<td>Increase in efficiency and subsequent reduction of costs</td>
<td>TBC</td>
</tr>
<tr>
<td>2.</td>
<td>Communications</td>
<td></td>
</tr>
<tr>
<td>3.1</td>
<td>Best practice to be shared and quality improved through peer review and benchmarking with other verifiers and external stakeholders</td>
<td>TBC</td>
</tr>
</tbody>
</table>
### 3. Staff training and development (including succession planning)

<table>
<thead>
<tr>
<th></th>
<th>Provision of staff development appraisals</th>
<th>At least annually</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Provision of staff development appraisals</td>
<td></td>
</tr>
<tr>
<td>4.2</td>
<td>CPD plan in place for all staff and reviewed during development appraisals</td>
<td></td>
</tr>
<tr>
<td>4.3</td>
<td>Provision of quality training that considers policy, legislative and any other changes in the public interest and includes training pertinent to sustainability targets e.g. reduction of waste; reduction of carbon emissions; increased energy efficiency</td>
<td></td>
</tr>
<tr>
<td>4.4</td>
<td>Clearly defined system in place to consider succession planning, identify risks, actions and implement e.g. grow your own strategy</td>
<td></td>
</tr>
<tr>
<td>Ref</td>
<td>KPI</td>
<td>Notes</td>
</tr>
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<td>-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>A1</td>
<td>Year on year reduction in the total number of working days taken to turnaround building warrant applications</td>
<td>It is acknowledged that performance against this KPI may be influenced by the extent to which information must be supplied or addressed by a third party. It is possible that in measuring this KPI, there will need to be a process that measures the total turnaround time as well as the aspects of the process that are solely in the control of the verifier organisation.</td>
</tr>
<tr>
<td>A2</td>
<td>Year on year reduction in the number of building flaws (in buildings subject to the verification process)</td>
<td>Evidence may consist of the number of reported incidents of building flaws, and of effective adherence to the reasonable inquiry process.</td>
</tr>
</tbody>
</table>
### A3 Year on year improvement in the quality and consistency of the building standards verification process

Evidence may consist of results from sample checks and internal audit reports; results from peer review and benchmarking activities.

The intention of this KPI is to embed a process of peer review whereby quality assurance/audit is undertaken on a sample of applications* in-house and by other verifier organisations on an on-going basis. The aim is to promote consistency and improve quality.  
*e.g. may be that 10% of applications are subject to quality review

### A4 On-going use of CPD to enhance building standards verification staff performance, knowledge and understanding

Evidence may consist of personal development plans; training records; performance appraisals etc.

Continuing Professional Development (CPD) is defined as the skills and knowledge obtained, through proactive and measurable activities, which are used for both personal and career development (including membership of a relevant professional body).

The intention of this KPI is to encourage on-going learning and development among verifiers, and ensure that skills, knowledge and understanding remains fit for purpose. On this basis verifiers are most likely to provide a quality and consistent standard of service to the customer.

### B - Effective Customer Experience

<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Notes</th>
<th>Reasons for inclusion</th>
</tr>
</thead>
<tbody>
<tr>
<td>B1</td>
<td>Year on year reduction in the number of complaints upheld against verifier decisions</td>
<td>Evidence may consist of a reduction in the number of appeals and a reduction in the number of customers seeking verification from an alternative verifier.</td>
<td>It should be noted that within our final report we propose to recommend an appeals process for the customer, whereby they will be entitled to ask a different verifier organisation to review their application if dissatisfied. The purpose of this KPI is to improve quality and consistency for the customer.</td>
</tr>
<tr>
<td>B2</td>
<td>Year on year improvement in the quality and effectiveness of consultee interactions and partnership working sustained</td>
<td>Key consultees may include the Highways Department; Scottish Environmental Protection Agency; Scottish Water; own and other Local Authorities (particularly planning departments); certifiers; Historic Scotland; Fire Authorities; Sheriffs; Scottish Commission for the regulation of Care; Access Panels; Police; Scottish Association of Building Standards Managers; Health and Safety Executive and Scottish Building Standards Division. Feedback may be obtained through surveys or focus groups.</td>
<td>The intention of this KPI is to maintain and improve effective partnership working and communications with these external customers, and thus contribute to more effective working relationships wherever possible.</td>
</tr>
<tr>
<td>B3</td>
<td>Year on year improvement in the customer experience</td>
<td>Customer experience includes the satisfaction of customers with the service. Feedback gathered from customers, analysed and utilised to improve the experience should include as a minimum: views on content/ease of use of website/guidance documents; expertise of staff; appropriateness of administrative processes; speed</td>
<td>Customer satisfaction is a vital aspect of the building standards verification process and the purpose of this KPI is to maintain and build upon on-going knowledge and understanding of the needs of different customers, a recognition that customers may be segmented into different groups (with different needs) and a commitment to responding most effectively to those needs and striving for continuous improvement in the customer experience.</td>
</tr>
<tr>
<td>Ref</td>
<td>KPI</td>
<td>Notes</td>
<td>Reasons for inclusion</td>
</tr>
<tr>
<td>-----</td>
<td>---------------------------------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>C1</td>
<td>On-going engagement with local and national discussions in support of continuous improvement</td>
<td>Evidence could encompass the actions taken as a result of what has learnt from discussions. Discussion topics may include consistency; quality; raising standards; sharing good practice and other forms of peer review.</td>
<td>Research indicates a commitment to raising quality and consistency ideally through a national forum that will promote the sharing of best practice and the raising of standards. The intention of this KPI is to ensure on-going dialogue to promote continuous improvement across all verifier organisations.</td>
</tr>
<tr>
<td>C2</td>
<td>Year on year improvement in staff satisfaction with leadership</td>
<td>May be achieved through internal staff satisfaction survey. Survey questions could include extent to which leader(s) help to raise staff morale, consider succession planning, introduce/adopt innovative ideas, plan resources effectively, improve departmental budget allocation, influence effectively (internally and externally) etc.</td>
<td>The intention of this KPI is to ensure that the effectiveness of quality leadership is enhanced on an on-going basis.</td>
</tr>
<tr>
<td>C3</td>
<td>Maximise efficiencies in use of income, resources and infrastructure</td>
<td>For example full utilisation of workflow systems and other databases to record, analyse and identify improvements.</td>
<td>The intention of this KPI is to ensure that resources and infrastructure can be fully harnessed to support the most efficient and productive delivery of services, and that there is investment as required into aspects necessary to deliver a quality service such as training and CPD, or IT systems.</td>
</tr>
<tr>
<td>Efficient use of income may include reinvestment into building standards verification infrastructure, such as IT systems.</td>
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</tbody>
</table>
## KPIs – Draft 3

### A - Professional Expertise & Processes

<table>
<thead>
<tr>
<th>Ref</th>
<th>KPI</th>
<th>Notes</th>
<th>Reasons for inclusion</th>
</tr>
</thead>
</table>
| A1  | Quarter by quarter reduction in the total time in working days from:  
|     | a) receipt of application to granting of building warrant;  
|     | and  
<p>|     | b) submission of a completion certificate to acceptance of a completion certificate | It is acknowledged that performance against this KPI may be influenced by the appropriateness and timeliness of information supplied by a third party. It is possible that in measuring this KPI, there will need to be a process that measures all aspects of the turnaround time as well as those aspects specifically in the control of the verifier organisation. Larger and more complex projects may require a processing agreement to be put in place. | The intention of this KPI is to encourage faster responses for customers, as our research shows that for the majority of customers, speed of turnaround is critical. The intention is not to undermine the quality of the application process, but promote greater productivity and also for verifier organisations to seek to influence third party input into the building standards process and encourage behaviour and process change for the benefit of the customer. This is also intended to promote effective partnership working with such third parties. Verifier organisations should monitor the differences between time taken to turnaround domestic and non-domestic building applications. |
| A2  | Quarter by quarter reduction in the number of building flaws (in buildings subject to the verification process) | Evidence may consist of the number of reported incidents of building flaws, and of effective adherence to the Reasonable Inquiry process. | The intention of this KPI is to promote quality of assessment and effective adherence to the Reasonable Inquiry process, intended to reduce the number of flaws or issues in buildings subject to the verification process. This KPI also serves to protect the public interest – as the ultimate users of the buildings. |</p>
<table>
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<tr>
<th>Ref</th>
<th>KPI</th>
<th>Notes</th>
<th>Reasons for inclusion</th>
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<tbody>
<tr>
<td>A3</td>
<td>Quarter by quarter improvement in the quality and consistency of the building standards verification process</td>
<td>Evidence may consist of results from sample checks and internal audit reports; results from peer review and benchmarking activities.</td>
<td>The intention of this KPI is to embed a process of peer review whereby quality assurance/‘audit’ is undertaken on a sample of applications* in-house and by other verifier organisations on an on-going basis. The aim is to promote consistency and improve quality. *e.g. may be that 10% of applications are subject to quality review</td>
</tr>
<tr>
<td>A4</td>
<td>On-going use of CPD to enhance building standards verification staff performance, knowledge and understanding</td>
<td>Evidence may consist of personal development plans; training records; performance appraisals etc. Continuing Professional Development (CPD) is defined as the skills and knowledge obtained, through proactive and measurable activities, which are used for both personal and career development (including membership of a relevant professional body).</td>
<td>The intention of this KPI is to encourage on-going learning and development among verifiers, and ensure that skills, knowledge and understanding remains fit for purpose. On this basis verifiers are most likely to provide a quality and consistent standard of service to the customer.</td>
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</table>

**B - Effective Customer Experience**

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<tr>
<th>Ref</th>
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<th>Notes</th>
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<tbody>
<tr>
<td>B1</td>
<td>Quarter by quarter reduction in the number of referrals upheld against verifier decisions</td>
<td>Evidence may consist of a reduction in the number of appeals and a reduction in the number of customers seeking verification from an alternative verifier.</td>
<td>It should be noted that within our final report we propose to recommend an appeals process for the customer, whereby they will be entitled to ask a different verifier organisation to review their application if dissatisfied. The purpose of this KPI is to improve quality and consistency for the customer.</td>
</tr>
<tr>
<td>B2</td>
<td>Quarter by quarter improvement in the quality and effectiveness of consultee interactions and partnership working sustained</td>
<td>Key consultees may include the Highways Department; Scottish Environmental Protection Agency; Scottish Water; own and other Local Authorities (particularly planning departments); certifiers; Historic Scotland; Fire Authorities; Sheriffs; Scottish Commission for the regulation of Care; Access Panels; Police; Scottish Association of Building Standards Managers; Health and Safety Executive and Scottish Building Standards Division. Feedback may be obtained through surveys or focus groups.</td>
<td>The intention of this KPI is to maintain and improve effective partnership working and communications with these external customers, and thus contribute to more effective working relationships wherever possible.</td>
</tr>
<tr>
<td>B3</td>
<td>Quarter by quarter improvement in the customer experience</td>
<td>Customer experience includes the satisfaction of customers with the service. Feedback gathered from customers, analysed and utilised to improve the experience should include as a minimum: views on content/ease of use of website/guidance documents; expertise of staff;</td>
<td>Customer satisfaction is a vital aspect of the building standards verification process and the purpose of this KPI is to maintain and build upon on-going knowledge and understanding of the needs of different customers, a recognition that customers may be segmented into different groups (with different needs) and a commitment to responding most effectively to those needs and striving for continuous improvement in the customer experience.</td>
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<tr>
<td>Ref</td>
<td>KPI</td>
<td>Notes</td>
<td>Reasons for inclusion</td>
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<tr>
<td>C1</td>
<td>On-going engagement with local and national discussions in support of continuous improvement</td>
<td>Evidence could encompass the actions taken as a result of what has learnt from discussions. Discussion topics may include consistency; quality; raising standards; sharing good practice and other forms of peer review.</td>
<td>Research indicates a commitment to raising quality and consistency ideally through a national forum that will promote the sharing of best practice and the raising of standards. The intention of this KPI is to ensure on-going dialogue to promote continuous improvement across all verifier organisations.</td>
</tr>
<tr>
<td>C2</td>
<td>Quarter by quarter improvement in staff satisfaction with leadership</td>
<td>May be achieved through internal staff satisfaction survey. Survey questions could include extent to which leader(s) help to raise staff morale, consider succession planning, introduce/adopt innovative ideas, plan resources effectively, improve departmental budget allocation, influence effectively (internally and externally) etc.</td>
<td>The intention of this KPI is to ensure that the effectiveness of quality leadership is enhanced on an on-going basis.</td>
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<tr>
<td>C3</td>
<td>Maximise efficiencies in use of income, resources and infrastructure</td>
<td>For example full utilisation of workflow systems and other databases to record, analyse and identify improvements. Efficient use of income may include reinvestment into building standards verification infrastructure, such as IT systems.</td>
<td>The intention of this KPI is to ensure that resources and infrastructure can be fully harnessed to support the most efficient and productive delivery of services, and that there is investment as required into aspects necessary to deliver a quality service such as training and CPD, or IT systems.</td>
</tr>
</tbody>
</table>
Appendix 2. KPIs – Other Scottish Local Authority Departments

For comparison purposes this section provides a breakdown of KPIs collated in respect of five local authorities in Scotland (see also Section 2.5). This information is based on available evidence and is not intended to represent the full range of standards and Performance Indicators employed by each local authority.

<table>
<thead>
<tr>
<th>East Renfrewshire – Planning and the Environment</th>
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<tbody>
<tr>
<td><strong>Customer service and engagement</strong></td>
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<tr>
<td>Annual customer satisfaction survey undertaken and results analysed (see summary in balanced scorecard p8)</td>
</tr>
<tr>
<td>Focus group established with customers</td>
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<tr>
<td>Performance against key indicators measured (see summary in balanced scorecard p7)</td>
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<tr>
<td>Series of leaflets kept up to date and published on the web</td>
</tr>
<tr>
<td>Building Standards Officers available on phone and in office who will speak to customers without appointment</td>
</tr>
<tr>
<td>Complaints system in place</td>
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| **Business process**                           |
| Business processes subject to continuous review and improvement, particularly so at present with imminent implementation of e-building standards project involving our online building standards register, e-forms, e-payments and use of electronic communication/emails |
| Financial resources monitored (see summary in balanced scorecard p7) |
| Service improvement action plan (see balanced scorecard p9-17) |

| **Quality**                                    |
| Participation in Building Standards forum and benchmarking groups |
| Introduction of robust inspection regime and standard checklists for small domestic applications |
| **Communications** | Web site subject to continuous review and improvement. Significant update took place late 2010 and further significant upgrades planned with the implementation of e-building standards and again with our new corporate website late 2011
Focus group established with customers |
| **Workforce development** | New ‘Performance Review and Development’ (PRD) scheme being implemented 2011 |

### West Lothian – Education Services

| **Customer service and engagement** | Treating everyone equally, considerately, courteously and fairly  
Respecting confidentiality at all times |
| **Business process** | Regularly seeking customers opinions on how we meet these standards and reporting the results to them  
Giving accurate, up to date information about services and how service performance meets their needs  
Focusing on delivering positive outcomes for the children and young people of West Lothian |
| **Quality** | Delivering services through the provision of professional, well qualified staff |
| **Communications** | Acknowledging all enquiries, including email enquiries, within 2 working days, either  
Giving a direct response or a clear indication of when to expect one  
Answering the telephone within 3 rings, or when necessary ensuring that voicemail, answering machine or call divert is operational  
Acknowledging applications within 5 working days  
Attending to service requests at the first point of contact  
Being polite, friendly and approachable at all times |
West Dunbartonshire – Educational Services

**Customer service and engagement**

Provide a comfortable and safe environment for our customers

Maintain a friendly and approachable public service in all our venues

Provide a service to all those who live, work or study in West Dunbartonshire

Open and close our venues promptly at our published times

Advertise any closure to cultural venues, and ensure that where venues are closed due to unforeseen circumstances public notification is given

Provide a museum and exhibition service for all members of the community

Ensure that all our venues are accessible in line with Disability Discrimination Act

Promote access to high quality arts through our arts development service

Provide all volunteers with support and training to carry out their duties. All staff and volunteers will be subject to disclosure as appropriate in line with national guidelines. Ensure that all our interpretation and publicity materials are available in large print

Provide comment and suggestion forms for visitors and participants at all cultural events

Promote exhibitions and events in line with appropriate national guidelines

Ensure that health and safety procedures are followed at all times

Maintain equipment in good working order and carry out regular inspections to ensure its safe operation

**Business process**

Provide and promote a range of events and activities in line with our Cultural Strategy and appropriate to the needs of the local community

Provide public access to the authority’s fine art collections via exhibitions, CD ROM and on line

Provide public access to the museums’ collections via an online Collection Point and through a collections booking system

Provide an outreach service for exhibitions and museums via our Travelling Gallery service

**Quality**

Provide understandable and accurate information relating to all our programmed events and activities
to all users
We will monitor and publish our performance annually against these standards and let you know how well we are meeting them
Ensure that the collections will be preserved, conserved, researched and stored securely in line with national guidelines and West Dunbartonshire Councils’ Collection Policies
Ensure staff will be able to provide information relating to exhibits, and events and answer enquiries as required

Communications

When telephoning the service ensure that:
We answer your call promptly (usually within six rings). If the person you are calling is not available, we will ensure that your call is automatically transferred to someone who can take a message or you can leave a message on voicemail
We give you the name of the service
We give you adequate time to clarify your enquiry

When writing ensure that:
We respond to your correspondence within 10 working days from receipt
We send you an acknowledgement within 5 working days of receipt of your letter and give you a full reply within 20 working days.
Some issues may take longer than 20 days to resolve, in which case we will keep you up to date on progress
If you email us and we are out of the office, we will give you an alternative email and phone contact

When meeting ensure that:
We are welcoming and courteous
We wear name badges at all times
When we have arranged an appointment with you we will be on time for it. If we are unavoidably delayed, we will let you know as soon as possible and agree an alternative time
We take all reasonable steps to ensure your privacy and confidentiality
Will write to you in plain English answering your points. Will include a name and contact number in all correspondence.

Workforce development

Staff will:

Be trained in customer care to give a high quality service to the customer and to respond to customers in a friendly and efficient manner
Be trained to carry out their duties efficiently and competently

Edinburgh – Rubbish and Recycling

Business process

Edinburgh Council have developed a range of standards for each of the different areas of Waste Services

Communications

We will endeavour to answer telephone calls within 30 seconds and let you know who you are talking to
We will ask you about your enquiry and advise you appropriately, including letting you know:
What action we will take including investigation of service failures (if appropriate)
When you can expect your query to be resolved
If you contact us by e-mail or letter we will respond within 10 working days, for Freedom of Information (FOI) and Request for Information (RFI) requests we will respond within 20 working days
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<tr>
<th>Moray – Libraries and Museums</th>
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<tr>
<td><strong>Customer service and engagement</strong></td>
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<tr>
<td><strong>Business process</strong></td>
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<td><strong>Communication</strong></td>
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