

Finance and Resources Committee

3.00pm, Tuesday, 4 December 2018

Building Standards Improvement Team – Extension to Contracts

Item number	7.17
Report number	
Executive/routine	
Wards	All
Council Commitments	

Executive Summary

The Scottish Government appointed the Council as Verifier of Building Standards within this Council's geographic area, for a period of one year from 1 May 2018 to 30 April 2019.

A condition of the appointment (of Verifier) was the support of an Improvement Team to provide advice, guidance and assistance to improve the performance of the Building Standards Service.

In agreement with the Scottish Government, the Council appointed an Improvement Team of three external advisers under delegated authority in May 2018. This report advises Committee of the actions taken to extend these contracts, by waiver, under the Urgency Procedure (section 4.1 of the Committee Terms of Reference and Delegated Functions) to ensure continuity of support, guidance and execution of the Service Improvement Plan through to 30 April 2019.

The maximum total estimated value of the contract extension is £220,000.

Building Standards Improvement Team – Extension to Contracts

1. Recommendations

- 1.1 To note the decision taken under urgency provisions, as described in section 4.1 of the Committee Terms of Reference and Delegated Functions by the Executive Director of Place, in consultation with the Convener of the Finance and Resources Committee, to extend contracts, via waiver, with the external advisers (Building Standards Improvement Team) to ensure continuity of support, guidance and execution of the Service Improvement Plan through to completion to 30 April 2019.

2. Background

- 2.1 The Scottish Government appointed the Council as Verifier of Building Standards within this Council's geographic area for a period of one year from 1 May 2018 to 30 April 2019. A condition of this appointment (as Verifier) was that the Council appoint an improvement team to provide advice, guidance and support to improve the performance of the Building Standards Service.
- 2.2 In agreement with the Scottish Government, on 1 May 2018, the Council appointed an Improvement Team of three external advisers under delegated authority to undertake the initial phase of this improvement journey. This initial phase formed a 'fact finding' evaluation and review of the service, its management structure and operational characteristics. It also included the development of the Building Standards Improvement Plan 2018-2021. This was submitted to Scottish Government and agreed. Subsequent to conclusion of this initial phase, it was deemed in the best interests of the Council, as a result of its knowledge of how the plan was formulated and the considerable experience of the team that it continued to support execution of plan implementation.
- 2.3 It was acknowledged by the Council and the Improvement Team, that the level of support associated with plan implementation could not be ascertained at the outset and would be established on completion and agreement of the initial phase over a number of months.

3. Main report

Building Standards Improvement Team

- 3.1 The Building Standards Improvement Team were appointed under delegated powers by the Executive Director of Place on 1 May 2018 for an initial phase of work. The team is made up of three individuals:
- 3.2 Russell Cartwright managed the Building Standards Service in Falkirk Council before going on to become director of its environment department. Falkirk Council are regarded as a high performing building standards verifier.
- 3.3 Len Murray managed the Building Standards service in Angus Council. During his tenure, the Angus became the leading building standards service in Scotland in Customer Service Excellence.
- 3.4 Steve Quinn is an expert in change management and has worked with organisations across the UK, helping to ensure they deliver their change programmes.
- 3.5 The cost for the initial phase of work was £63,342.87.
- 3.6 On completion of the initial phase of its work, agreement of contractual arrangements and understanding of the full scope of works, it was necessary to extend the contracts, via waiver. This was done under the Urgency Procedure (section 4.1 of the Committee Terms of Reference and Delegated Functions).
- 3.7 The decision was undertaken by the Executive Director of Place in consultation with the Convener of the Finance and Resources Committee subject to the matter being reported to the next meeting of the Committee.
- 3.8 The contract extension decision was made on the basis of a maximum additional sum of £220,000 to complete this work by 30 April 2019 to ensure continuity of support, and continued guidance on the delivery of the Service Improvement Plan until the end of this verification period.
- 3.9 The fees outlined in sections 3.5 and 3.8 above, will be contained within Place existing revenue budget for Financial Year 2018/19.
- 3.10 It is noted that since the Improvement Team has been engaged, there has been a marked improvement in both the performance of the service and the rate at which improvements have been delivered. This is a result of the development of, and support on implementation of, the Building Standards Improvement Plan 2018-2021.

Service Improvements

- 3.11 In relation to performance, between 1 July and 30 September 2018, the backlog of applications awaiting a first report was reduced from 320 to 50. At the same time, 97% of new applications received since 1 July have received first reports within 20 working days. This exceeds the Scottish Government's target of 95%. To ensure this is sustained, new methods for monitoring performance and workload have been developed and used by the management team. Team structures have also been

adjusted to ensure staff resources are deployed appropriately to address workload pressures. These structures will be kept under review.

- 3.12 A new approach to recruitment has been implemented, which is addressing the lack of availability of experienced surveyors nationally. It is focussed on a “grow your own” strategy of developing the skills, knowledge and experience of new members of staff rapidly. As part of this, three apprentice building standards surveyors have been appointed. To support the approach, a campaign was piloted which used social media, to attract candidates to the Council.
- 3.13 Supporting the cultural changes that are needed within the service, there has been considerable training and development on leadership and management. The management team are being developed to broaden their skills and methods in effecting change within the service. In addition, a continuous improvement team has been created. This is ensuring that change projects are being delivered and will continue to be implemented.
- 3.14 It is essential that the service’s relationship with its customers is transformed. The improvements in performance outlined above underpin this change, however up to 30 April 2019, a major strand of activity of the improvement team will be on support and provide guidance on developing a customer focussed approach to service delivery.

4. Measures of success

- 4.1 The Council can continue to provide its statutory duty in acting as building standards Verifier within its geographic area.
- 4.2 The Council successfully executes implementation of the Building Standards Improvement Plan 2018-2021;
- 4.3 The Building Standards Service realises improvement in meeting the needs of residents within the City including improvements to timescales, quality assurance guidance and processes, customer engagement and staff development.

5. Financial impact

- 5.1 The cost of the extended contract arrangements is estimated to be £220,000. This is contained within the overall revenue budget for the Place directorate and will be funded from income received and realignment of budgets.

6. Risk, policy, compliance and governance impact

- 6.1 The risk of ongoing service performance difficulties is lessened as a result of assistance in executing delivery of the Service Improvement Plan;
- 6.2 The risk of failure to deliver the Service Improvement Plan will be mitigated by the actions taken in section 3 of this report.

- 6.3 The risk of the Council losing its appointment as Verifier of Building Standards within this Council's geographic area will be mitigated by the actions taken in section 3 of this report.
- 6.4 The risk of successful procurement challenge is low as the Council has sought to seek solutions to improve service delivery in a methodology agreed with the Scottish Government and in the best interests of the Council, however, it cannot be excluded.
- 6.5 Contract Standing order 9 provides an option to waive standing orders where the requirement is in the Council best interest having regard for best value, risk, principles of procurement and the impact upon service users. The publication of the award of business along with the other factors reported will help to satisfy these requirements.
- 6.6 The Council has a statutory duty to report 'non-compliance' of procurement regulation in line with the changes brought in by the Procurement Reform Act 2014.

7. Equalities impact

- 7.1 There are no equalities impacts arising from these appointments.

8. Sustainability impact

- 8.1 There are no sustainability impacts arising from these appointments.

9. Consultation and engagement

None

10. Background reading/external references

None

Paul Lawrence

Executive Director of Place

Contact: David Givan – Service Manager – Building Standards

E-mail: david.givan@edinburgh.gov.uk | Tel: 0131 529 3679

11. Appendices

None