

**BUILDING STANDARDS ADVISORY COMMITTEE  
WEDNESDAY 26 AUGUST 2009**

**AGENDA ITEM 9**

**VERIFIER AUDIT UPDATE**

**Position to date**

1. The Division has undertaken 25 verification audits to date. All of these audit reports are available on the Scottish Government (SG) website.
2. From the 25 verification audits undertaken, 11 verifier services have had at least one "cause for concern" over the 5 perspectives audited. Nine follow-up audits have been undertaken, with each "cause for concern" subsequently brought up to a satisfactory level. A follow up audit will be undertaken in East Dunbartonshire Council later this year as they failed in 3 out of the 5 perspectives.

**2008/09 Revised Balanced Scorecard review**

3. Verifiers are required to annually revise their balanced scorecards and to submit them to BSD. All 32 verifiers have returned updated balanced scorecards. These are currently being reviewed, with general and specific comments being fed back to each verifier prior to 20 September 2009. Thereafter, each verifier is expected to forward finalised 09/10 balanced scorecards to the Division by 23 October. All accepted balanced scorecards will then be published on the BSD website by 30 October 2009.

**Research**

4. The closing date for tender applications to undertake the research project to evaluate the effectiveness of the audit procedures and processes delivered to date and looking at future verification models was 18 August. The Division is currently in the process of appointing the contractor to undertake the research work. A copy of the research proposal is attached for information.

Building Standards Division  
August 2009

## BSAC INFORMATION PAPER 15 (2009)

Verifier	Public Interest	Private Customer	Internal Business	Continuous Improvement	Finance
Stirling Council	GOOD	GOOD	GOOD	SATISFACTORY	EXCELLENT
North Lanarkshire Council	GOOD	GOOD	GOOD	EXCELLENT	EXCELLENT
Perth and Kinross Council	GOOD	SATISFACTORY	SATISFACTORY	SATISFACTORY	GOOD
North Ayrshire Council	EXCELLENT	GOOD	GOOD	SATISFACTORY	EXCELLENT
Dundee Council	GOOD	SATISFACTORY	GOOD	SATISFACTORY	GOOD
Midlothian Council	GOOD	SATISFACTORY	CAUSE FOR CONCERN	SATISFACTORY	GOOD
Clackmannanshire Council	GOOD	GOOD	GOOD	GOOD	GOOD
West Dunbartonshire Council	GOOD	SATISFACTORY	SATISFACTORY	GOOD	GOOD
South Lanarkshire Council	GOOD	CAUSE FOR CONCERN	GOOD	SATISFACTORY	GOOD
Comhairlie nan Eilean Siar	GOOD	SATISFACTORY	SATISFACTORY	CAUSE FOR CONCERN	GOOD
Glasgow City Council	GOOD	GOOD	EXCELLENT	GOOD	EXCELLENT
Moray Council	GOOD	SATISFACTORY	SATISFACTORY	SATISFACTORY	CAUSE FOR CONCERN
Highland Council	SERIOUS CAUSE FOR CONCERN	CAUSE FOR CONCERN	CAUSE FOR CONCERN	SERIOUS CAUSE FOR CONCERN	CAUSE FOR CONCERN
Fife Council	EXCELLENT	GOOD	EXCELLENT	EXCELLENT	GOOD
Inverclyde Council	SATISFACTORY	CAUSE FOR CONCERN	CAUSE FOR CONCERN	CAUSE FOR CONCERN	CAUSE FOR CONCERN
Aberdeen City Council	GOOD	CAUSE FOR CONCERN	GOOD	SATISFACTORY	CAUSE FOR CONCERN
Renfrewshire Council	GOOD	EXCELLENT	GOOD	EXCELLENT	GOOD
Angus Council	EXCELLENT	GOOD	EXCELLENT	EXCELLENT	EXCELLENT
Orkney Council	GOOD	SATISFACTORY	GOOD	SATISFACTORY	CAUSE FOR CONCERN
Argyll & Bute Council	GOOD	GOOD	GOOD	GOOD	GOOD
Scottish Borders Council	GOOD	CAUSE FOR CONCERN	GOOD	CAUSE FOR CONCERN	GOOD
Shetland	CAUSE FOR CONCERN	CAUSE FOR CONCERN	CAUSE FOR CONCERN	CAUSE FOR CONCERN	CAUSE FOR CONCERN
Edinburgh Council	GOOD	EXCELLENT	EXCELLENT	GOOD	GOOD
East Ayrshire Council	EXCELLENT	GOOD	EXCELLENT	EXCELLENT	EXCELLENT
East Dunbartonshire	SATISFACTORY	CAUSE FOR CONCERN	CAUSE FOR CONCERN	CAUSE FOR CONCERN	SATISFACTORY



Directorate for the Built Environment  
Building Standards Division

**RESEARCH PROJECT TO SUPPORT THE  
APPOINTMENT OF VERIFIERS FROM MAY  
2011: ANALYSIS OF PROCEDURES AND  
AUDITS UNDERTAKEN AND RESEARCH OF  
ALTERNATIVE MODELS TO INFORM FUTURE  
APPOINTMENTS**

**TENDER REFERENCE 2009/01**

**Research project to research and evaluate the auditing of Verifiers:  
Analysis of procedures and audits undertaken; and  
research of alternative verification models to inform future appointments**

**Background**

1. The [Building \(Scotland\) Act 2003](#) gives Scottish Ministers the powers to appoint persons as verifiers, and sets out their role and duties under the act.
2. The Building (Procedure) (Scotland) Regulations 2004 set out the following requirements for the appointment of verifiers and the evaluation of their performance:

**Appointment of verifiers**

**30.** Before making an appointment as a verifier under section 7(1) (a) of the Act the considerations to which the Scottish Ministers shall have regard shall include:

- (a) qualifications;
- (b) competence;
- (c) accountability to the public; and
- (d) impartiality.

**Evaluation of performance of verifiers and certifiers**

**40.** (1) A verifier or certifier appointed under section 7(1) of the Act and a scheme having approval under section 7(2) of the Act shall, if required, by the Scottish Ministers provide them with such information as the Scottish Ministers consider necessary to enable them to evaluate the discharge of functions by the verifier, certifier or members of the scheme.

(2) If as a result of the evaluation the Scottish Ministers consider it necessary they may appoint a person to investigate the discharge of functions by the verifier or certifier or members of the scheme and to prepare a report thereon.

(3) A copy of any report prepared following such an investigation shall be sent to the verifier, certifier or members of the scheme to whose functions the report relates and the verifier, certifier or any such member shall be given an opportunity to make written representations and the Scottish Ministers shall, in the event of any such written representations being made, consider these.

3. All 32 Local Authorities were appointed as verifiers from May 2005. Since this date Building Standards Division (BSD) (Scottish Building Standards Agency for the period 2005-08) has conducted audits of the verifiers' procedures.

4. Full details of the audit programme is published on-line, including audit reports and re-audits undertaken to date, together with links to each verifier's balanced scorecards. Also published are presentations given at two major events for verifiers:  
<http://www.sbsa.gov.uk/verifiers/verification.htm>  
<http://www.sbsa.gov.uk/verifiers/verificationAuditprog.htm>  
<http://www.sbsa.gov.uk/verifiers/VerificationAuditReports.htm>  
<http://www.sbsa.gov.uk/verifiers/VerificationBalancedScorecards.htm>  
<http://www.sbsa.gov.uk/verifiers/VerificationEvents.htm>

5. This project will consider the complete audit process from identifying auditees to undertaking audits and presenting findings. The project will also investigate and identify alternative models of auditing to assist in the appointment of verifiers due to take place in May 2011.

### **Objectives**

6. This project will evaluate the effectiveness of the current audit procedures by undertaking an analysis of the audit reports published so far as well as reviewing the processes involved in undertaking the audits.

7. Specifically the research should address:

- a) whether BSD has effectively delivered the evaluation of performance of verifiers, under clause 40 of The Building (Procedure) (Scotland) Regulations 2004; and
- b) to provide recommendations on existing and alternative models and options for the future process.

### **Methodology**

8. Tenderers should describe the methods to be adopted, which must include:

- analysis of the audit process; and
- analysis of all 25 audits that have been undertaken to date to ensure compliance with the Act in relation to qualifications, competence, impartiality and accountability to the general public. There are currently 9 audits outstanding and the contractor will be expected to add these to the study once they have been completed. It is expected that all 9 outstanding audits will be completed by May 2010.

9. In order to understand the process it is expected that the contractor will contact and undertake interviews or questionnaires with all of the following (but not exclusively);

- All 32 individual local authority verifiers;
- consultants employed as auditors;
- BSD staff who have administered and participated in the audit programme; and

- relevant external stakeholders, including the Scottish Association of Building Standards Managers, the Royal Incorporation of Architects in Scotland, the Royal Institution of Chartered Surveyors, the National House-building Council, Homes for Scotland, and the Scottish Property Federation.

10. Tenderers should be concerned with following aspects:

- whether is the current verification process is fit for purpose and has the current verification process met requirements of the initial appointment period?;
- consider other verification models in UK and wider to look at alternative approaches; and
- are local authorities best placed to carry out the Verifier role, implications regarding varying sizes of authorities and type of service i.e. rural, city, number of warrants being processed.

### **Outputs**

11. The output from this project should be a written report. The report should be in 2 parts, including an executive summary and conclusions. The first part of the report should address what has happened to date and part two will report on the options regarding different models for future appointments. There will also be a need for an updated report to cover the additional 9 audits that have still to be undertaken.

12. All written material submitted as part of this contract must be of a high standard, written in clear, plain English. The completed report must be Quality Assured and be of a publishable standard; presented in the house style (a template will be provided). If we consider that the material you submit to us fails to reach this standard, we reserve the right to return it and request that it is re-written.

13. The contractor should submit an electronic copy of the report in a Word document.

### **Contractor**

14. The successful contractor will have a track record of evaluating and researching.

15. Tenderers are asked to describe and demonstrate the experience of their team in:

- conducting evaluation and research of Local Government and Public body organisations;
- interviewing skills; and
- report writing.

16. The contractor should provide a CV for those individuals delivering on this contract, together with information on their relevant professional expertise.

**Fee**

17. The total fee available for this project is £25,000, and will include any travel and subsistence costs as well as any other incidental expenses.

**Timetable**

18. The main report, excluding the 9 outstanding audits needs to be delivered by 18 December 2009. The following timetable provides details of required deadlines and will be discussed further and agreed at the inception meeting.

<b>Work Package</b>	<b>Deadline</b>	<b>Payments</b>
Inception meeting	Week Beg 31 August 2009	
Project update	28 September 2009	
Submission of Interim report	19 October 2009	
Update meeting (interim report)	26 October 2009	£10,000
Draft final report	23 November 2009	
Final report	18 December 2009	£11,000
Updated report	31 May 2010	£4,000

19. Payments will not be made until reports and or meetings are accepted by the BSD which will, in most cases, be after the submission/deadline date.

**Management of project**

20. The project manager is Colette Templeton, BSD, Research Manager. The project customer is Audrey McKay, BSD, Business Management Team.

**Conditions of Engagement**

21. The Scottish Government's Central Research Unit's Standard Conditions of Contract (copy attached) will apply.

22. Tenderers should outline potential risks to the successful completion of the project within timescale and budget. These risks may be organisational or specific to the project. Tenderers should describe the risks, state what the likelihood is of their occurrence, describe what steps they will take to reduce that likelihood, and describe what measures they will take if the risks materialise. Risks described should include fire or flood. We would expect risk assessment to be fuller for high value or complex projects.

23. All information submitted in tenders to the Scottish Government (including the identity of tenderers) may need to be disclosed and/or published by the Scottish Government under the **Freedom of Information Act 2004**. If you consider that any of the information included in your tender is commercially confidential, you should only show that information in an Annex to the tender, indicating clearly that you consider it commercially confidential, and explaining (in broad terms) what harm might result from disclosure and/or publication of it and for how long you consider that it will remain commercially confidential. You should be aware that receipt by the Scottish Government of any material marked "confidential" or equivalent should not

be taken to mean that the Scottish Government accepts any duty of confidentiality by virtue of that marking; even where you have indicated that you consider some information you have provided to be commercially confidential we may be required to disclose and/or publish it; in such cases the Scottish Government will first consult you before disclosing and/or publishing the information. If you consider none of the information in your tender to be commercially confidential, please make a statement to that effect.

### **Copyright**

24. The ownership of the research material including the final report and any data produced as a result of the research lies with the Crown and the Scottish Government, acting through Scottish Ministers.

25. Contractors may not publish the reports or comments in relation to the reports without the express permission of the Building Standards Division.

### **Dissemination**

26. The final report will be published online on the Scottish Government website. The date of publication of the report will be at the discretion of the Scottish Ministers.

### **Tender Process**

27. Offers to undertake this project should be sent, in the terms and form prescribed, to arrive no later than Date – depends on issue date July 2009, to Sarah Waugh, Building Standards Division, Directorate for the Built Environment, Ground Floor, Denholm House, Almondvale Business Park, Almondvale Way, Livingston, West Lothian, EH54 6GA.

28. The following information should be included in a response:

- **name** of the tenderer(s), status in the company/institution, and name of person for further contact (if different);
- a brief statement detailing an **understanding and interpretation** of the purpose, specific objectives and scope of the project;
- details of the **proposed methodology and timescale**, including dates for the completion of discrete stages of the work as detailed in the specification;
- a statement of any work excluded from the proposal;
- **curricula vitae of all staff involved, including details of their role, their particular expertise and time input in person days** (including, where applicable, staff not yet appointed) and associated management arrangements for the project;
- details of **previous research experience** relevant to the current application, both within and outwith the Scottish Government;
- contact details for two people who have agreed to be approached to supply **references** in relation to this work (to be taken up depending on the nature of the competition);
- arrangements for project management and quality assurance;



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- a statement of the **ethical** issues that are expected to arise in conducting the work and a statement of how these will be addressed, including an evaluation of diversity issues covering race, gender, age, disability, sexual preference or religious belief;
- details of approach to quality assurance (including adherence to timescales and the quality of key outputs) and any relevant procedures/ accreditation; and
- a **risk assessment** for the project should be presented in a table similar to the one below, detailing potential risks, likelihood, measures to reduce their likelihood and plans to deal with risks that do materialise.

<b>Issue</b>	<b>Likelihood of Risk (low, medium or high)</b>	<b>Mitigating Action(s)</b>	<b>Recovery Plan</b>