

Scottish Building Standards Hub (SBSH) (Hub): Governance and Advisory Board

1. This paper sets out the governance requirements for the SBSH and considers the constitution of the Advisory Board as set out in the Strategic Business Case (SBC).
2. The SBSH will be in place from 24 May 2024. It will be managed by two Hub Directors (strategy and technical). Management and governance will be supported through:
 - **an Advisory Board** constituted from key interests¹ responsible for oversight of the SBSH to ensure it delivers the required improvements to the system. This Board and its members would not have legal responsibility for the SBSH.
 - **an External Stakeholder Group**, comprising of industry representatives, which would enable the Hub to gather industry perspective on its work.
 - **Fife Council** will provide line management responsibility for the Directors through the Head of Protective Services. It will have full legal responsibility for the work of the SBSH, including the SBSH Website and procurement arrangements, etc.
 - Fife Council as the host authority will be funded through Grant Aided Expenditure. Any annual surpluses or deficits between the dedicated funding and actual expenditure will be managed and discussed with Fife Council
 - The SBSH will operate as a stand-alone unit within Fife Council but not a separate legal entity
 - The SBSH will have its own dedicated budget and have financial responsibility for this
 - The transition of agreed building standards system services delivered by LABSS to the SBSH will be completed prior to the inception date of 24 May 2024.
3. Fife Council which has accepted the offer to act as host authority for the Hub and will employ all staff, including all responsibilities for all aspects of HR and salaries.
4. Roles and responsibilities of the parties involved in management and governance of the Hub will be set out in the Terms of Reference of the SBSH agreed with the Delivery Model Development Group.
5. The Hub reporting to an Advisory Board will provide strategic direction and ensure that the Hub is providing the services it was established to deliver. The Advisory Board will have no legal standing.

¹ BSD of Scottish Government, LABSS, CoSLA/SOLACE, Fife Council, a Certifier representative and representatives from a Professional Body and the construction industry.

6. Operating as a unit within the council the Hub will have direct line management through the Council. The Council will have a seat on the Board, however, there will be areas where the Council will require sole decision-making powers. For example, decisions on the number of staff, grades, and salaries.

7. The Hub will operate with an identified budget for three years. Any decisions which have consequences for the Hub budget would fall to Fife Council. Policies for decision-making including:

- Recruitment of additional staff – where the need for additional staff above the agreed complement are identified, funding should be secured with Fife and a business case taken to the Advisory Board to see approval.
- Treatment of Hub budget: Clear information should be provided to the Advisory Board on how the Hub budget is treated within Fife Council including how any surpluses or deficits will be dealt with.

8. The SBSH's management team will report to the Advisory Board. BSD will represent the interests of Scottish Ministers.

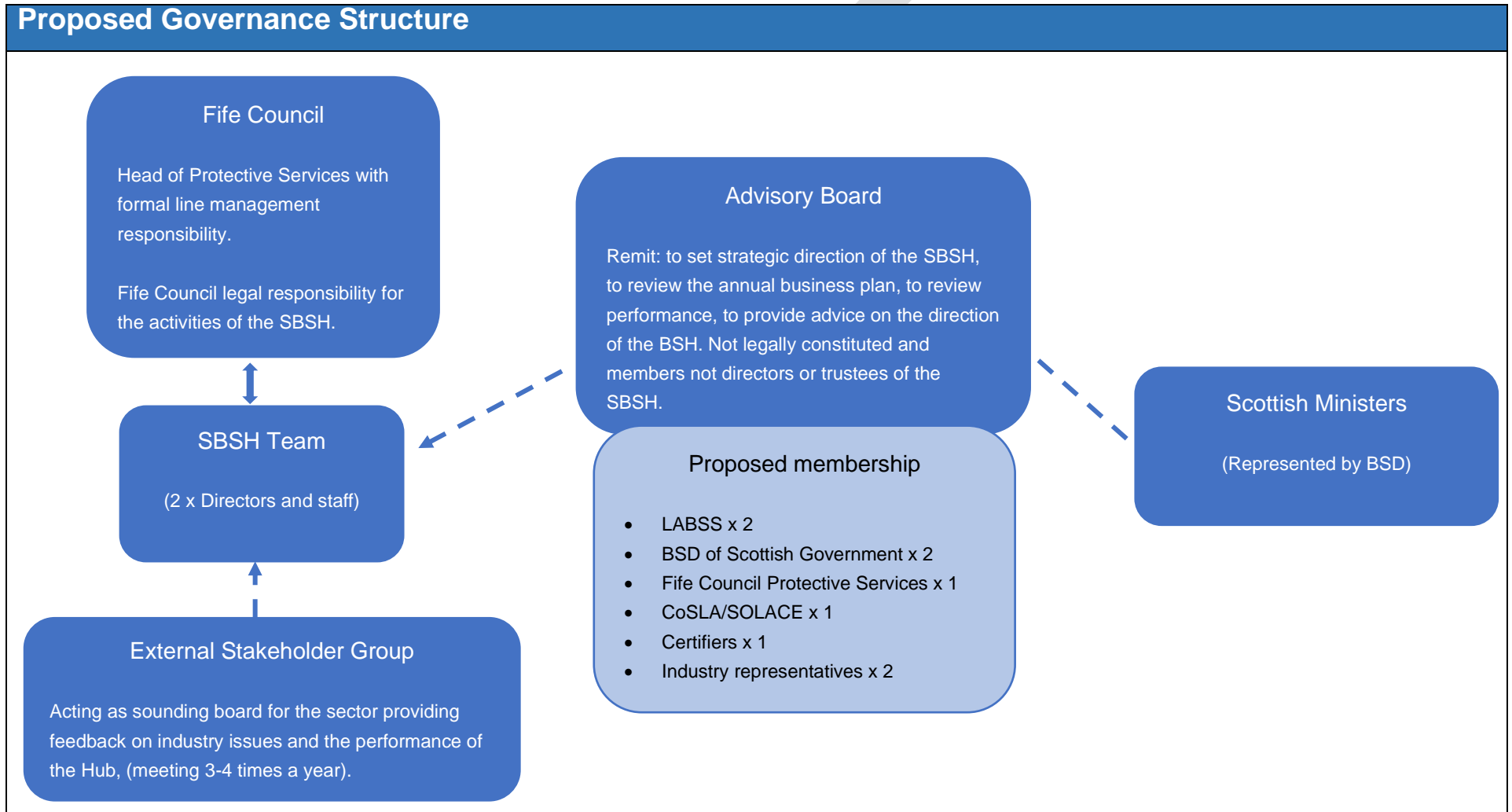
9. The SBC recommended that the Advisory Board should consist of nine members from the following stakeholders:

Stakeholder	No of members
SG Building Standards Division	2
Fife Council - Protective Services	1
LABSS	2
CoSLA /SOLACE	1
Certifiers	1
Industry Representative	2

10. The SBC identified the need for strategic oversight from industry representatives. It recommended that the two industry seats on the Board be earmarked for the following organisations, subject to appropriate selection methods:

- Professional Bodies: The introduction of the Compliance Plan Manager scheme and the need for accreditation and a register of Compliance Plan Managers may facilitate a method for professional bodies to select a representative for this Board
- Construction industry representative

11. The proposed Governance structure is:



12. The Hub will engage with an **external stakeholder group**, comprising industry representatives. This will provide the Hub with industry perspective on its work and the extent to which it is addressing industry needs. Meetings would be arranged on a similar basis to the Board meetings (e.g., quarterly).

13. It is proposed that the existing BSD Stakeholder Group be used for this purpose with an update from the Hub Director as a regular standing item.

BSD Stakeholder Group - membership

Representative	Organisation
Steve Fawcett	Homes for Scotland
David Melhuish	Scottish Property Federation
Lindsay Lauder	Wheatley Group
Tommy Thomson	RIAS
Mark Lawler	Certification Scheme Providers
Ron Fraser	Construction Scotland
Colin Proctor	Scottish Futures Trust
Shona Harper	SG, More Homes
Sarah Peterson	Association for Consultancy and Engineering (ACE) Scotland
Grant Tierney	LABSS
Gordon Nelson	Federation of Master Builders
Cassandra Dove	Scottish Federation of Housing Associations
Gary Mees	CIAT
Stephen Gallacher	Harley Haddow
Steve Sutton	Heating & Hotwater Industry Council
Alan McAulay	Building Standards Hub
James Whiteford	Building Standards Hub

Membership of the Advisory Board

14. The Advisory Board will primarily focus on decision-making around the priorities of the SBSH, its main activities and performance. A draft Terms of Reference for the Advisory Board is provided at Annex A.

15. It is proposed that representatives from both CoSLA and SOLACE are sought which would increase the number of members to 10.

Stakeholder	No of members
SG Building Standards Division	2
Fife Council - Protective Services	1
LABSS	2
CoSLA	1
SOLACE	1
Certifiers	1
Industry Representatives	2

Suggested Membership

Representative	Organisation
Stephen Garvin	BSD
Neil Mitchell	BSD
Nigel Kerr	Fife Council
To seek rep	LABSS (request to management for reps)
To seek rep	LABSS
COSLA	Robert Nicol or alternative
SOLACE	Craig Hatton or alternative
To seek rep	Certifiers
To seek rep	Professional Body
To seek rep	Construction Industry

Delivery Model Team

March 2024

Annex A: Draft Terms of Reference for Advisory Board

Purpose

The Advisory Board will oversee the Scottish Building Standards Hub (SBSH) in its delivery of building standards central services and support to local authorities and the wider construction sector. It is responsible for ensuring the Hub meets and delivers its aims as well as ensuring it provides the expertise in specialist and safety critical areas of design of complex buildings.

Remit

The Advisory Board's remit is to support the Hub's delivery of a range of services and activities to support local authorities, Scottish Government, and the wider construction industry. It will also oversee the Hub's business planning, delivery, finances, relationships, and risks.

Membership

The Board consists of ten members from the following stakeholders:

Stakeholder	No of members
SG Building Standards Division	2
Fife Council - Protective Services	1
LABSS	2
SOLACE	1
CoSLA	1
Certifiers	1
Industry Representative	2

Board members have the authority to appoint up to 2 new members where a need for additional expertise has been identified. As such, the Board will have a maximum of 12 members.

- The Board must have a quorum of 5 to be able to make decisions. The 5 must include at least one member from LABSS, BSD, industry, and Fife Council.
- Individuals attending on behalf of their organisation must have decision making authority for their organisation.
- Members will select a Chair and Vice chair.
- All members have equal voting rights.
- If required, the Chair, or in their absence, the Vice chair, will have the casting vote.

- The Board should meet at least once a quarter throughout each year. Additional meetings should be arranged where necessary.
- Hub Directors will attend all Board meetings to present progress reports, discuss relevant matters, and seek Board approval where required. SBSH directors will not have voting rights.
- Members will agree to sit on the Board for of a period of no less than four years. Chair and Vice-Chair will serve for three years following which re-selection will be undertaken.

Responsibilities

General

- Ensure the SBSH delivers its remit and provides appropriate expertise in specialist and safety critical areas of design of complex buildings.
- Ensure the Hub's work is informed by the needs of all stakeholders.
- Provide support and guidance for the SBSH Directors.
- Promote the work and benefits of the SBSH.
- Support the SBSH Directors to prepare an annual Progress Report.

Financial

- Ensure the Hub's financial stability.
- Provide support and guidance for the SBSH Directors on all financial issues.
- Support the SBSH Directors to prepare a three-year Business Plan.
- Support and review the SBSH's Annual Report on operations and delivery.
- Support discussions and decisions on future budget provision.
- Review quarterly financial reports prepared by the SBSH Directors showing income and expenditure, and progress on the implementation of the Business Plan.
- Ensure the SBSH Directors develop and implement plans to address any issues highlighted by financial monitoring.

Operations

- Provide support and guidance for the SBSH Directors on all operational issues.

- Review quarterly operational reports prepared by the SBSH Directors showing progress on the implementation of the Business Plan.
- Ensure the SBSH Directors develop and implement plans to address any issues highlighted by operational monitoring.
- Oversee the recruitment of new staff in line with the SBSH's agreed plans and Fife Council procedures.
- Oversee the procurement of additional expertise/services in line with the SBSH's agreed plans and Fife Council procedures.

Relationships and communications

- Build and maintain the SBSH's relationships with local authorities, LABSS, Scottish Government BSD, industry, and the host authority (Fife Council).
- Oversee development and implementation of the SBSH's industry engagement network.
- Support the SBSH Directors to ensure SBSH communications are clear, timely, informative, and targeted.

Risk

- Support the SBSH Directors to prepare and maintain a risk register covering strategic, operational, and financial matters.
- Identify emerging risks and ensure the Hub develops appropriate plans to address them.
- Quarterly monitoring of the risk register.