

Minutes of Board Meeting held on 14 July 2016

Location	Present	In Attendance
8 Weymouth Street London W1W 5BU	J Bill, P Coe, B Fraenkel (Chair), R Levenson, G Maxwell, S McCarthy, R Parnaby, J Singh, D Walker, S Ware, N Watts, A Wright, N Zulfiqar	Karen Holmes (Registrar) E Matthews M Stoner S Howard R Jones James Malcomson (Item 9) S Ison (Minutes)

Note

Action

Open Session

1 Apologies for Absence

Apologies were received from Sue Roaf and Alan Jago. Suzanne McCarthy advised that she would be leaving the meeting early.

2 Members' Interests

No members' interests were declared.

3 Minutes

The Board approved the Minutes of the Open Session of the meeting held on 13 May 2016 and the Chair agreed to sign them as a true record.

Proposer: Neil Watts

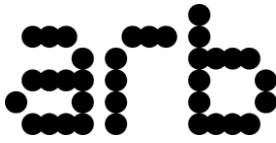
Seconder: Jagtar Singh

The recommendation was agreed unanimously.

4 Matters Arising

The Registrar advised that the Cabinet Office, in conjunction with the Public Chairs Forum and the Association of Chief Executives, had been considering the future direction of reviews of public bodies and that she and other members of the Operational Management Group have been observing developments in this area.

The Chair updated the Board about the outcomes of the exit interviews with former Board Members. She advised that the feedback had been largely positive, with some constructive suggestions for improvement. Those leaving felt the Board had



evolved during their tenures with positive progress being made. They felt that strong Board leadership had been instrumental in bringing about improvements. They raised the issue of time, saying that the Board would benefit from more time for briefings and discussion on important matters. They felt that the Executive did an excellent job.

5 Chair's Report

The Chair's report was noted by the Board.

The Chair advised that she and the Registrar had recently met with representatives from the Department for Communities and Local Government (DCLG). The Chair welcomed this time spent with DCLG, commenting that meetings such as this enabled effective joint working.

The Chair also informed the Board that she had spent time meeting/talking to new Board members since the last meeting.

6 ARB's Operational Activities

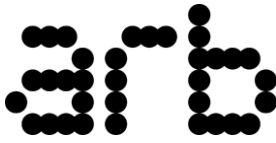
The Operational Activities report was noted by the Board. The Registrar set the context for this report, advising that, following the EU Referendum, the organisation continued to operate a business as usual approach.

There was a question about how the outcome of the Referendum would impact on ARB's relationship with the Architects Council of Europe (ACE).

ARB's Head of Qualifications & Governance advised that, upon the UK's exit from the EU, ARB could continue to be a member of ACE albeit via a slightly different category of membership. She explained that the current membership is held jointly with RIBA and that the two organisations will soon be meeting to discuss this and related matters.

A question was asked about how ACE was reconciling variances in accreditation across the EU. The Head of Qualifications & Governance advised that ACE was discussing this issue with stakeholders within and outside of the EU. Information had also been gathered about accreditation arrangements via a survey of relevant European stakeholders including the European Network of Architects Competent Authorities (ENACA).

A Board member asked about the outcome of the meeting with the Judicial Appointments Commission (JAC). The Head of Professional Standards advised that the JAC provided information about its approach to equality and diversity in its



appointment processes. He advised that ARB will use the information provided to consider whether its procedures could be improved.

There was a question about whether the presentations given by ARB's Chair and the Registrar to a student audience at the Bartlett could be made available via webinar. The Operational Management Group agreed to investigate whether this would be possible.

A question was asked about whether ARB had data about the breakdown of visitors to its website, in terms of the percentages of consumers/architects/students etc. The Registrar advised that changes to the website were planned which would enable ARB to better capture this information in the future.

7 Management Accounts

The Management Accounts were noted by the Board.

The Head of Finance & Resources presented this paper.

A Board Member made the point that ARB's financial health had been supported by the growth in EU admissions and suggested that the risk of a fall in these admissions should be built into future financial modelling.

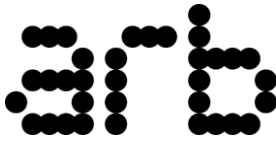
A Board Member asked for further information about the reserves. The Head of Finance & Resources provided a verbal summary and advised the Board that details on this information would form part of the budget planning session which was due to take place on 28 July 2016.

There was a question about whether the cover paper for the Management Accounts needed to reflect any future changes to the organisation's approach to equality and diversity (E&D). The Registrar reminded the Board that the Management Accounts reflected the present situation. She confirmed that if the organisation made future policy changes which impact on E&D, these would be highlighted at that time.

8 Periodic Review Update

The Registrar provided an update from DCLG regarding the Periodic Review. DCLG had advised that the report had been finalised and that the Department was considering how it had been impacted by the outcome of the Referendum. DCLG intended to publish the report in the autumn.

A Board Member said that the context of the Periodic Review and its possible conclusions should be considered, when setting ARB's future priorities. This would



help the Board frame what can be progressed immediately and what cannot be progressed until the outcome of the review was known.

MATTERS FOR DECISION

9 Approval of ARB's Investment Strategy

ARB's Investment Broker (James Malcolmson of Quilter Cheviot) gave a verbal report on investments over the last twelve months and asked the Board for direction on whether it wished to continue ARB's investment strategy or implement changes.

The Board asked Mr Malcolmson a number of questions and discussed a range of issues. These included the purpose of holding reserves; the Board's approach to risk; cash flow requirements; registrants' fees and running costs; the wider economic environment and likely outlook and the benchmarking of investment management fees.

The setting investment targets was also suggested as an approach adopted by other organisations. A Board Member advised that implementing targets would help the Board conduct effective oversight the performance of its investments. The Board explored the pros and cons of adopting targets and the Investment Broker suggested a 'two-pot' approach may be an appropriate way forward. This would incorporate one low risk 'pot', covering key reserves which could be accessed quickly, and another moderately higher risk 'pot', containing funds which could be invested on a three to five year basis. It was suggested that, at the upcoming budget planning session, the Board should take some time to start the process of considering possible future changes to the Investment Strategy.

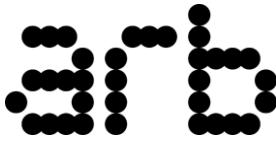
The Board also discussed whether a tender exercise for this area of work should be undertaken in the near future. It was agreed that this should be further discussed at the budget briefing session on 28 July 2016.

Suzanne McCarthy left the meeting at this point.

The Board approved ARB's investment strategy and additionally agreed that Karen Holmes and Marc Stoner should remain as signatories.

**Proposer: Alex Wright
Secunder: Jagtar Singh**

The recommendation was agreed unanimously.



10 Attendance Allowance and Travel Subsistence

The Board deferred the agenda item on Attendance Allowance and Travel Subsistence to the September meeting. It was noted that the DCLG would provide benchmark information for this meeting.

Proposer: Nabila Zulfiqar

Secunder: Peter Coe

The recommendation was agreed unanimously.

11 Revisions to the External Professionals and Advisors Policy

The Head of Qualifications & Governance presented this paper. The Registrar explained that the Operational Management Group had considered the Board's feedback from the previous meeting in relation to the policy and responded to this. It was advised that transitional arrangements would be needed to facilitate the move to the new policy. In the meantime, the current policy would continue to apply to those already appointed; all current appointees would complete their current tenures and then the new policy would become effective.

The Board agreed the revisions to the External Professionals and Advisors Policy subject to the addition of a commencement date for the policy.

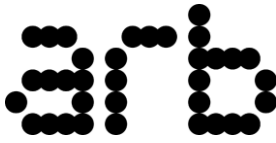
Proposer: Richard Parnaby

Secunder: Ros Levenson

The recommendation was agreed unanimously

12 Code of Conduct

The Head of Professional Standards presented the revised Code. He explained that the review had concluded that wholesale change was not required, instead small amendments to the Code were needed to address issues such as including legal revisions. He noted that, as the Code covered such a wide range of matters, there was a risk that people would not agree with certain aspects of it. He explained that the revised version of the Code was the result of two consultation processes, experience and considerable input from the staff team. The Head of Professional Standards recommended the Code should be distributed electronically because the changes which had been made to it were relatively small and it would be more cost effective.



Board Members posed questions on a number of matters including Standard 9 of the Code; misuse of title; reporting of offences and the extent to which ethical issues were covered by professional Codes. A Board Member noted that the Code provides guidance on minimum standards, rather than being a specific set of rules.

The Board also discussed the communication of the revised Code. A Board Member recommended that appropriate monitoring processes be implemented to enable the Board to ascertain how effectively the new Code is communicated. The Head of Professional Standards confirmed that such metrics would be in place. He advised that a number of communication tools would be used to bring the revised Code to the attention of architects. These include a press releases and the retention fee payment notice, which represents an upcoming opportunity to contact all registrants.

The Board:

- i) agreed the proposed changes to the Code of Conduct highlighted in Annex A;**
- and**
- ii) to publish a new Code of Conduct online.**

Proposer: Richard Parnaby

Secunder: Nabila Zulfiqar

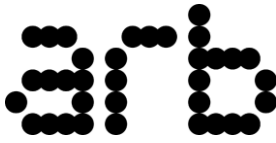
The recommendation was agreed unanimously.

13 Draft Statement of Priorities 2017-2020 and draft 2017 Business Plan

The Registrar presented this paper and provided an overview of the business planning process. The Registrar explained that the priorities statement and ARB's purpose and objectives document provided details of the context within which the organisation operated. It was noted that the Board's business plan and operational work plans sat underneath these documents, and these set out how ARB delivered on its remit.

The Registrar asked Board Members to input into both the draft priorities document and the draft business plan in the week following the Board meeting. In particular she asked if they would provide their views on what was missing from these papers. The Registrar advised that these matters could then be discussed and amended at the upcoming budget planning session so that final draft versions could be brought back to the September Board meeting.

A Board Member raised issues which he wanted the Board to discuss further



including whether the routes to registration project should be commenced and whether a review of the Board's interpretation of Section 4(1)b of the Architects Act should be taken out of the routes to registration project. The Registrar highlighted the upcoming budget planning session as an opportunity for these conversations. She advised on the importance of feeding back on the draft papers in the interim. The Registrar said this would provide information about what pieces of work were on hold and enable the Board to look at the risks around delaying projects.

The Board also discussed the possible impact of EU negotiations on priority setting. Board Members emphasised the need to maintain close links with the DCLG to ensure the timely sharing of information in this area. The importance of maintaining good stakeholder relationships was also highlighted as being key to continuing to ensure that the organisation effectively communicated its regulatory purpose.

The Registrar agreed to send the draft priorities and business plan out again to Board Members.

MATTERS FOR NOTE

14 Annual Report from the Investigations Oversight Committee

The Board noted the Annual Report from the Investigations Oversight Committee.

15 Annual Report from the Prescription Committee

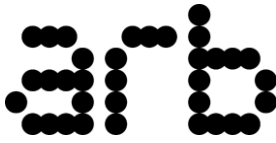
The Board noted the Annual Report from the Prescription Committee.

16 Report to the Board on statistics, trends and performance indicators 2016

The Board took agenda items 16 and 17 together. The Head of Professional Standards introduced the papers and advised of a systemic issue with the registration statistics relating to the calculation of the time taken to process applications. He explained that, on the whole, this meant that our performance in this area was slightly better than previously reported, with only a few exceptions. He advised that this matter, together with steps taken to address this reporting anomaly, would be taken to the Audit Committee for further discussion and consideration.

The Head of Professional Standards went on to highlight three areas of performance where the Operational Management Group would like to make improvements. These included:

- i) Improving the time taken to process applications for registration;



- ii) Improving the percentage of investigation panel decisions being reached within the 12 week timeframe; the Key Performance indicator was 80% but it had fallen to 73%. The Head of Professional Standards highlighted that this area was vulnerable to third party delays; and
- iii) Increasing the number of visitors to the online Register. It was, however, noted that the substantial growth in the numbers visiting the Register over recent years had meant that a point of diminishing returns would now be reached as it would be harder to encourage large numbers of new visitors. Nonetheless, a strategy was in place to target this area during the second half of 2016.

17 Update on the delivery of the 2016 Business Plan

The Board took items 16 and 17 together. See above notes.

18 Minutes

The Board noted the draft minutes of:

- i. The Investigations Oversight Committee held on 2 June 2016;
- ii. The Audit Committee held on 10 June 2016; and
- iii. The Remuneration Committee held on 22 June 2016.

19 Any other Business

There was no other business.

23 Date of next Board Meeting

Thursday, 15 September (Board Meeting)