



Subject Board Effectiveness Survey Report
Purpose For Decision
From Registrar & Chief Executive

If you have any enquiries on this paper, please contact Karen Holmes at karenh@arb.org.uk or on 020 7580 5861

1. Summary

To note the outcomes of the Board Effectiveness Survey Report, and agree on the next steps.

2. Recommendations

It is recommended that the Board:

- i) Notes the outcome of the Board Effectiveness Survey Report; and
- ii) Instructs that a scope of the cost and benefit of research on the impact and effectiveness of ARB be carried out

3. Open Session

4. Contribution to the Board's Purpose and Objectives

In delivering the Act, ARB's objectives are:

Protect the users and potential users of architects' services and Support architects through regulation. The effectiveness of the Board and Committees is essential to the delivery of both objectives as the Board establishes ARB's strategy, provides oversight to the organisation and performs statutory roles. The Review informs the Board and enables areas of improvement to be targeted.

5. Background

- i. In November 2016 effectiveness questionnaires were prepared by the Foresight Centre for Governance and circulated to the Board, the Board's individual committees, the Operational Management Team and to appropriate advisers.
- ii. The purpose of the Effectiveness Review is to enable the Board and its Committees to highlight areas of improvement, and areas for future development. It helps ARB improve as an organisation. The information gathered in the Review also assists the Registrar in the formation of the Governance Report, which forms part of the Annual Report and Financial Statements.

- iii. After Board member feedback following the 2015 report, there were a newly drafted set of questions created by an external agency. This means that no direct statistical comparison with previous years' results is possible.
- iv. The results of the survey were discussed at a pre-Board meeting in February 2017. This paper is a formal recording of those results, and an opportunity for decisions to be reached as to the next steps to be taken.
- v. Below is a summary of the survey.

Board questionnaire

- vi. All Board members completed the questionnaire. The results of those responses were aggregated between 1 (very poor) and 5 (excellent). Overall there was a positive response to all of the questions posed within the survey. No area of the Board's work resulted in an average score of less than 3.
- vii. The areas of the Board's work considered to be the strongest were around the management of risk, conflict, and good governance, and clarity of decision making.
- viii. The areas which it was seen to be weakest were in relation to its relationships with its stakeholders. This is because there is no available evidence that ARB's external profile reflects the Board's own high assurance in its good governance.

The committees

- ix. Board members were also questioned about the effectiveness of the committees they sit on. Again, the responses were generally positive, with no committee receiving an average score of less than 4 out of 5.
- x. The main area of concern in relation to the work of the committees was the availability of the right mix of skills and experience. This aligned with the results of previous years' surveys.
- xi. Each committee will be reviewing the results of the survey and taking action specific to its scope of work.

Other stakeholders

- xii. The senior management team and three other key stakeholders¹ were also asked for their views on the effectiveness of the Board.
- xiii. The senior management team was generally very positive about the effectiveness of the Board, although reflected the previously observed concerns about the skills and experience make-up of Board members. This concern was shared by the other key stakeholders, who identified shortcomings in the process for selecting members to the Board.

¹ Board solicitor, external auditor, internal auditor

Report Recommendations

- xiv. The author of the report identifies four areas of possible improvement for the Board. They are:
- 1) continue to refresh Board members' knowledge of their roles, particularly in relation to equality and good governance;
 - 2) improve Board members' knowledge about the architectural profession;
 - 3) strengthen engagement with key stakeholder groups;
 - 4) introduce benchmarking information.
- xv. In light of the impending changes to the constitution of the Board as announced in Government's Periodic Review, there would be limited benefit in committing significant resource to the first two recommendations; however some work will be done in this area to ensure Board member's knowledge and understanding. However given the confirmation of ARB's status as a result of that Review, the Board has indicated that now might be an appropriate time to undertake a significant piece of research into how ARB is viewed by its various stakeholders. Such information will prove invaluable at being able to benchmark ARB's current impact, assess its future performance, and strengthen key stakeholder relationships.
- xvi. Such a piece of work was last undertaken in 2001, and cost in the region of £50,000. The results that research were that the profession wanted a more proactive regulator which had a higher profile with the public and the construction industry. There was also wide-felt dissatisfaction with ARB's educational practices and policies at the time. Amongst the public there was little knowledge of ARB or its work.
- xvii. In line with the Board's direction, it is therefore proposed that a further paper is brought to a future 2017 meeting setting out the scope, cost and projected delivery of the research. It is anticipated to be a significant piece of work, which has not been budgeted for in terms of cost or human resource for 2017. Should the Board agree to the proposals, it is expected to be included as part of the 2018 Business Plan.

6. Resource implications

The resource implications of accepting the recommendation and undertaking the research will be considered at a future Board meeting.

7. Risk Implications

The Board is required to have in place an effective structure of corporate governance. Regularly reviewing where improvements to Board performance can be made mitigates risks of Board ineffectiveness and supports the delivery of the organisation's statutory functions.

8. Communication

The Board recognises the importance of Board evaluation in improving its effectiveness, so it can be assured that its members are appropriately skilled and knowledgeable.

To have an accurate understanding of how it is performing in the eyes of its stakeholders, it will from time to time have to undertake research to gain that information.

9. Equality and Diversity Implications

It will be an important element of any research to ensure that the views of all stakeholders are sought.

10. Further Actions

If the Board accepts the recommendations then the executive will draft a project plan setting out how the research will be delivered, and approach a number of research providers to assess potential costs and timescales. The results of that work will be brought back to the Board in order for it to make decisions as to the 2018 Business Plan.