

## Minutes of Board Meeting held on 19 June 2020

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Location	Present	In Attendance
By video conference	A Kershaw (Chair) J Beckerleg M Bottomley D Bray S Brookhouse Emeritus Professor T Crook W Freeman L Male4 E Marco S McCusker	Emma Matthews Simon Howard Marc Stoner (Acting Chief Executive Officer and Registrar) Brian James Kristen Hewett (Minutes)

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### Note

#### 1 Apologies for Absence

No apologies were received.

#### 2 Members' Interests

There were no declarations relevant to the open session agenda items.

#### 3 Update from the Chair

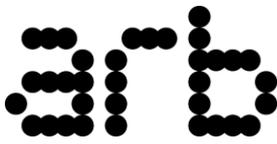
The Chair had attended a brief introductory meeting with the ARB staff team as a whole and with the Senior Leadership Group.

The Chair and the Acting Chief Executive Officer and Registrar would hold weekly meetings from now on.

Discussions around the running of Board meetings and the structure of agendas had already commenced. No radical changes to process were likely, just slightly different ways of working.

It was hoped that a face to face Board meeting could be scheduled for the autumn. Video conferences might be used in future where appropriate, but face to face meetings would be beneficial at times, particularly when planning and reviewing important project work.

The Chair would like to nominate a Board member as a 'champion' for each area of ARB's work. It was hoped that each Board member could then make one project area their own, so they could offer expertise and demonstrate participation. The Chair would approach each Board member individually with regard to which area might best suit the available skills on the Board, and clarified that the 'champion' approach would not provide any Board members with management responsibility in terms of staff. Nor did it absolve all Board members for taking collective responsibility for all



Board business and decisions.

An introductory meeting with the President of the Royal Institute of British Architects was being scheduled.

The recruitment for the legally qualified chairs to the Professional Conduct Committee was ongoing, with interviews scheduled for the week commencing 22 June 2020.

The recruitment exercise for the permanent Board member posts, led by the Ministry for Housing, Communities and Local Government (MHCLG), was ongoing.

The Acting Chief Executive Officer and Registrar then provided an update on staff working arrangements in light of the ongoing COVID-19 pandemic:

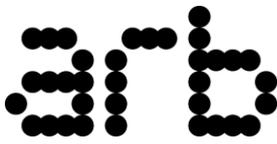
- There was no plan to formally reopen the office in the near future, certainly not for as long as government guidance remains that if you were able to work from home, you should.
- It was confirmed that some members of the staff did occasionally visit the ARB office, when a business need arose.
- The Operations Manager confirmed that plans for the re-opening of Weymouth Street were ongoing, with suitable social distancing plans drawn up, safety signage and suitable PPE arranged and a return to the workplace risk assessment carried out, with plans for the assessment to be reviewed regularly, in line with government guidance.

#### 4 Minutes

A Board member confirmed that they had highlighted that there would be an increase in the number of Board and Committee days given the increase in the frequency of meetings during 2020, and that this would have an impact on the budget. This would be reflected in the open session minutes for good order.

**Subject to that amendment, the Board approved the minutes of the meeting held on 14 May 2020.**

**The decision was unanimous.**



## 5 Matters Arising Report

The Board noted matters arising from the minutes of the previous meeting.

## 6 Scheme of Delegation

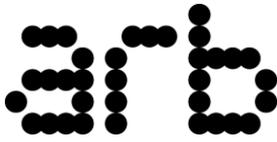
The Chair of the Audit and Risk Assurance Committee (ARAC) confirmed that the amended Scheme of Delegation, as contained at annex A of the Board paper, had been considered by the ARAC at its 10 June meeting.

A Board member queried whether there was a policy in respect of auditor rotation. It was confirmed that there was a policy in terms of maximum contract length for an internal audit firm, and the audit firm's effectiveness was regularly reviewed.

The Acting Registrar and Chief Executive confirmed that Bates Wells Braithwaite (BWB), the Board's solicitors had considered the proposed Scheme. While there were no immediate concerns that would preclude the Board from approving the amended version, BWB would be reviewing further over the next two to three months.

The Acting Chief Executive Officer and Registrar confirmed that a further slight amendment was also required to the temporary Scheme of Delegation, to sit alongside the other temporary changes the Board had agreed at a previous meeting. This was in respect of the authorised signatories who were able to give the Board's investment management company instructions; the Board had agreed previously that it should be the CEO and Head of Finance and Resources. Delegation therefore needed to be temporarily adjusted from the Head of Finance and Resources to the Head of Qualifications and Governance. The Board agreed this adjustment.

A Board member questioned item 32 on the proposed Scheme of Delegation, which set out that the Terms of Reference for the Remuneration and Appointments Committee included responsibility for recommending to the Board appointments to the staff Senior Leadership Group. It was commented that this level of oversight would be unusual; with the more usual level being a Board or Committee member's involvement in the recruitment process, but with the ultimate decision resting with the Chief Executive. The Chair of the Remuneration and Appointments Committee confirmed that its Terms of Reference were intended to convey support rather than decision making, and the Committee would re-visit the text in order to provide clarity.



**The Board agreed the amendments to the Scheme of Delegation as set out at Annex A of the paper.**

**The Board further agreed a temporary adjustment in respect of the authorised signatories who were able to give the Board's investment management company instructions, with delegation being temporarily adjusted from the Head of Finance and Resources to the Head of Qualifications and Governance.**

**The decision was unanimous.**

## **6 Chief Executive's Report**

The Acting Chief Executive Officer and Registrar reported that owing to the transitional period between the former Registrar resigning and the Acting Chief Executive Officer and Registrar taking up post, there had been a slight backlog of work in terms of movements on the Register. It was confirmed that the backlog was now cleared, and that the organisation's statutory responsibilities had not been compromised.

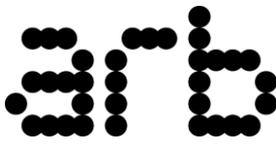
The Board Chair congratulated the staff team on their hard work in keeping the organisation going; this news had supported the assurance provided to MHCLG that ARB would continue to meet its statutory responsibilities.

## **7 Management Accounts**

The following points were asked and answered:

A Board member queried whether the decline in the number of registrations was in respect of UK or EU applications. It was confirmed that it was EU applications where numbers were dropping more substantially; UK numbers were dropping only slightly. It was confirmed that application numbers were being kept under regular review and the Board would be kept updated.

A member asked whether the forecast accounts took account of items highlighted in the Strategic Plan which was due to be considered in the confidential session of the meeting. It was confirmed that the management accounts reflected only business as



usual, and some funds in respect of smaller projects that had already commenced.

The Board otherwise noted the report.

## 8 **Audit and Risk Assurance Committee Annual Report**

The Chair of ARAC explained that the report was intended to provide the Board with assurance regarding the Committee's work over the last year. It should be considered alongside the assurances set out in the ARB Annual Report and Accounts, which would be published after the confidential discussion at this meeting.

A Board member queried what 'moderate assurance' meant. It was confirmed that this indicated that there were no major concerns: the rating was not meant to raise any alarm, but to demonstrate that, while the Committee and internal audit firm were content with levels of risk, improvements should still be sought.

It was confirmed that adjustments were needed to Committee memberships, particularly on Committees which currently carried vacancies such as the Remuneration and Appointments Committee and the Policy Committee. It was requested that this be resolved as soon as possible, ideally with a paper presented to the July Board.

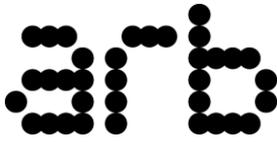
The Board noted the content of the report.

## 9 **Minutes**

### **Minutes of the Audit and Risk Assurance Committee meeting of 22 April 2020:**

Reference was made to the potential cost of EU exit, and whether funding might be available from government, or whether it would be funded from ARB reserves. It was confirmed that the Executive were in dialogue with MHCLG about funding this area of work.

A Board member queried the section concerning IT and cyber security. While the staff IT system was secure, it was queried whether Board members, advisors and others that did not directly use the ARB network should be issued with any advice. It was confirmed that ARB had a number of robust systems in place for service



providers, with Board members conducting Board business via Diligent. There was also a data protection policy, but it was agreed that this should be further highlighted to Board members and advisors in light of the current COVID-19 situation.

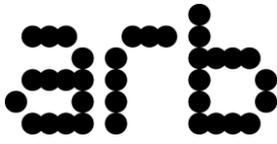
### **Draft Minutes of the Policy Committee Meeting held on 22 May 2020**

The following points were asked and answered:

- Whether a reviewer had yet been engaged for the Professional Standards review. The Head of Professional Standards confirmed that a reviewer had been appointed, and that the reviewer had a wealth of experience with a number of other professional regulators. The Board Chair asked to meet with the Reviewer at a convenient point.
- A Board member queried the drafting style of the Policy Committee minutes which differed from other Board and Committee minutes. The Head of Qualifications and Governance confirmed that the style of minutes would be reviewed to ensure consistency.
- The Board discussed the Committee's Terms of Reference and workload, as there was some concern as to how the Policy Committee could cover such a wide range of ARB business and project work, and how to ensure the Committee had the right expertise in its membership to do so. It was suggested that there should be a high level of linkage between the Policy Committee and the Prescription Committee, to ensure the expertise already contained on the Prescription Committee was used to best effect. It was agreed that a way to link the various areas of regulation was needed, and that the Policy Committee should be able to achieve that. It was also suggested that the earlier referenced 'Board Champions' could participate in the Committee's work on their particular subject areas; membership of the Policy Committee could be considered on a more flexible basis. The Policy Committee would consider its Terms of Reference and the running of meetings and bring proposals back to the Board.

### **10 Any Other Business**

No other business was raised.



Note

Action

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**11 Dates of Future Board Meetings:**

10 July 2020

2 October 2020

20 November 2020

3 December 2020