

Minutes of Board Meeting held on 16 July 2015

Location	Present	In Attendance
8 Weymouth Street London W1W 5BU	J. Assael, P Coe, H Eisner, B Fraenkel (Chair), A Jago, M. Kinghorn, R Levenson, A Mortimer, S. Ware, N Watts, A. Wright, N Zulfiqar	Karen Holmes (Registrar), E Matthews, M Stoner, S Howard, T Davies

Note

Action

Open Session

1 Apologies for Absence

Apologies were received from Ruth Brennan, Richard Parnaby and Arun Singh.

2 Members' Interests

No Members' interests were declared.

STANDING ITEMS

3 Minutes

- i) The Board approved the Minutes of the Open Session of the meeting held on 14 May 2015 and the Chair agreed to sign them as a true record.

Proposer: Peter Coe

Seconder: Neil Watts

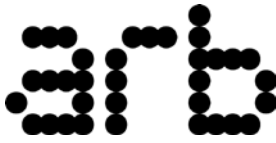
The recommendation was agreed unanimously.

- ii) The Board approved the minute of the Board Resolution 24 June 2015 - Appointment of Registrar and Chief Executive

Proposer: Ros Levenson

Seconder: Nabila Zulfiqar

The recommendation was agreed unanimously



4 Matters Arising

A query was raised in view of the recent consultation on the Code of Conduct as to whether Staff were aware of a recent article in AJ concerning both RIBA and ARB Codes of Conduct and the possibility of introducing an ethical element into any revised version. Staff advised that they had read the article, but had not been invited to the debate it referred to so could only comment on what had been reported. There is an important difference in the roles of a regulator setting minimum standards and that of a professional body, and this may be reflected in the differing approach towards ethical standards in their codes. Ultimately it will be for the Board to decide whether the current Code of Conduct remains fit for purpose after considering the responses to the consultation.

Members were advised that the consultation deadline was 11 August 2015 and that a summary of the responses would be circulated to the Board at the September meeting.

Members requested copies of other professional body and built environment codes of conduct, as well as the Morrell Report, to be circulated in advance of the September meeting for comparison purposes.

A query was raised as to whether the Routes to Registration project could now be undertaken as the preparation work for a potential review of the Code was being undertaken. The Registrar advised that the DCLG had indicated that this area should not be worked on while the Periodic Review was on-going.

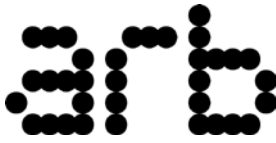
5 Chair's Report

The Chair's report was noted by the Board. It was reported that the Chair had met with Trustmark and attended the RIBA Members Summer Party/ Richard Brindley's leaving party. The Chair further reported that she had attended the Bartlett's Summer Show.

6 ARB's Operational Activities

The Registrar presented the paper which was noted by the Board.

The Registrar further advised that she had attended the Trading Standards Conference with the Communications Coordinator and met with a number of stakeholders. Members were requested to put forward names of contacts at various organisations to the Communications Coordinator to expand current working relations.



One member questioned whether there had been any learning from meeting other regulators in respect of Equality and Diversity (E & D). It was acknowledged that while other regulators had more sophisticated systems for collecting E & D data, ARB was catching up in this regard. It was felt that numerical targets should be set for obtaining this information. The Executive will provide a status report to the Board, together with proposed targets for 2016.

An update on SCHOSA's recent request regarding the Part 1 Prescribed Examination was requested and the Head of Qualifications advised that this had been discussed by the Prescription Committee, who had decided it should form part of the Routes to Registration Review.

7 Management Accounts

The Financial Controller presented the paper and highlighted the increase in income from registration and examinations applications, and the one-off saving that had come from recruitment that would not continue in to next year.

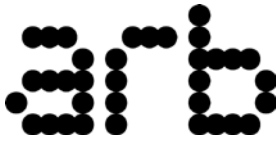
A query was raised as to whether the increase in the number of architects on the Register could be reflected in a decrease in the retention fee. The Financial Controller advised that an increase in the number on the Register placed more pressure on the organisation and a need for increased resources, particularly IT would be likely if the increases continued. Regular fluctuations in the retention fee could also present future difficulties for the profession, particularly when the fee was held at a particular rate over a period of time and subsequently required an increase to cover the cost of inflation, and resources etc leading to a more significant increase.

Members were reminded that a budget briefing session was due to take place in August and that any questions or discussions could be raised at that meeting and in advance of the September Board meeting where decisions on the 2016 Business Plan and Budget would need to be made.

Further detail behind the figures for IT & digital spend was requested for the August briefing.

8 Periodic Review Update

The Registrar provided an update. It noted the revised timetable and that the Report was now due to go to the Minister, James Wharton, in early September.



MATTERS FOR DECISION

9 Approval of ARB's Investment Strategy

James Malcolmson, ARB's Investment Broker, provided the Board with a verbal report.

Some queries were raised as to whether there was any ethical criteria attached to ARB's investment strategy. It was felt that while there are 'ethically clean' funds available, the Board has no ethical obligation to invest in such funds. Further, it would be very difficult to take account of each individual member's ethical views and at the same time safeguard the organisation's agreed strategy which is to:

1. Protect the real value of capital;
2. Achieve growth within the capital, with lower risk than currently;
3. Maintain required liquidity.

There was general consensus that the above strategy was right, particularly in light of the current financial climate.

The Board agreed the investment strategy and that no changes should be made to the current policy.

Proposer: Myra Kinghorn

Seconder: Nabila Zulfiqar

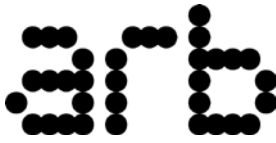
The recommendation was agreed unanimously.

10 Amendments to ARB's Election Scheme

The Head of Qualifications presented the papers and reminded the Board that following the last Board meeting, a consultation had been issued for six weeks in order to seek views on minor changes to the Election Scheme, i.e., changes extending an elected Board members' tenureship from three years to four years.. These changes were being made due to the same changes having being made to the Architects Act 1997.

The Board noted that that no comments had been received in response to the consultation and that Staff had commenced election planning, including putting together a pack for potential candidates.

One member highlighted that the ARB website needed updating in respect of this issue as it was currently out of date.



The Board agreed the adjustments to the Election Scheme as set out in Annex A and that the Scheme should now be sent to the Privy Council for approval.

Proposer: Myra Kinghorn

Seconder: Soo Ware

The recommendation was agreed unanimously.

11 Draft 2016 Business Plan

The Registrar introduced this item and advised that this was the Board's initial opportunity to view the contents of the Business Plan for 2016. Members were asked for their initial views and suggestions so that the Operational Management Team could bring back a fully formed Plan in September 2015 for agreement.

The Board noted that the Plan had been put together on a 'business as usual' basis, and that the outcome of the Periodic Review was still unknown. The outcome of the Review may impact on ARB's ability to deliver the Business Plan next year. Once outcomes are known, the Board will need to consider its priorities.

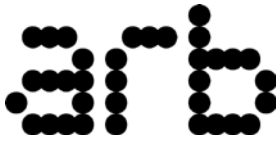
Attention was drawn to the larger projects on the horizon concerning Routes to Registration, Review of Section 14, and the issue of growth of the Register. The importance of having appropriate systems in place and the capacity to deal with these projects was highlighted.

One member acknowledged that staff engagement was an important issue but queried whether any savings could be made in respect of the £12,000 set aside for the staff engagement survey. The Registrar advised that this may either be undertaken by HR services or ARB itself, which could cut down on the cost, but that it would be mindful of proportionality when undertaking the survey.

One member suggested presenting projects in a timeline alongside the Business Plan to see where complex issues may overlap and impact on others, while another suggestion was made to link the Board's Priorities with the Business Plan. Both suggestions were noted and will be explored.

A query was raised about the wording in relation to the £5,000 legal services contract tender under Corporate Functions as this currently inferred that this was the total value of the contract being offered, rather than the cost of carrying out the tendering exercise itself.

The Registrar requested that all feedback concerning the Business Plan should be provided to her by the end of July so any financial implications could be taken into



account at the Budget discussion on 13 August.

The Board noted that the Business Plan would be brought back to the September meeting for approval, alongside the budget for 2016.

12 Annual Report of the Investigations Oversight Committee (IOC)

The Board noted the Annual Report of the IOC. It noted that the first consent order had been agreed, that communication between the IOC and Investigations Panel had improved and that KPI's were also improving.

It was noted that, subject to the Board's agreement, the IOC would take the lead on the Code of Conduct Consultation.

A query was raised in light of the judicial precedent and longstanding policy not to use Board members on Professional Conduct Committee (PCC) panels and whether there was a risk surrounding the increase in the number of hearings and the number of PCC members available. The Professional Standards Manager noted that the current increase in PCC hearings was putting pressure on the current resources, but advised that if Government agreed to implement statutory reprimands then the number of hearings should decrease. If statutory reprimands were not implemented, a request would be made to Government to increase membership of the PCC.

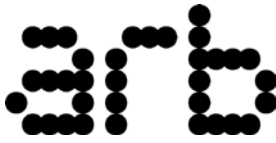
One member reported that they had recently attended a PCC hearing and recommended that others do so to gain a fuller understanding and insight into the process.

13 Annual Report from the Prescription Committee

The Board noted the Annual Report of the Prescription Committee. Attention was drawn to the section on looking forward towards the end of the report.

A query was raised in respect of succession planning as there was concern that the current wealth of experience in existing members would take a long time to build up again. The Committee provided assurance that they were aware of this and were considering ways of reducing the risks in this area.

A final query was raised in respect of the membership of two independent advisers and whether their involvement on the SCHOSA Council presented a conflict of interest. It was confirmed that this would be considered further.



14 Report to the Board on statistics, trends and performance indicators 2015

The Professional Standards Manager presented this item and the Board noted that this was a pared back version for the mid-year update based on previous feedback that having a complete report twice a year was excessive.

The Board noted that KPIs were generally being met and that the key statistical point to note was the increase in European entrants to the Register which now equalled UK entrants.

Suggestions were made as to the information that could be gathered and collated regarding those entering the register via an EU route. Concerns were raised as to what purpose the collection of such information would serve. After discussion, it was agreed that consideration would be given to providing guidance and support to all new entrants to the Register.

The Board was advised that background information regarding types of investigations was currently being analysed as this will provide a learning tool for the profession as to how such issues may be avoided in the future.

A further query was raised as to what information could be displayed on the Register and how ARB could better assist consumers in this regard. Staff advised that suggested changes to the information recorded on the Register had been put forward to the DCLG as part of ARB's Periodic Review submission, but until any changes are agreed, the current legislation was very particular about what information could be displayed on the Register.

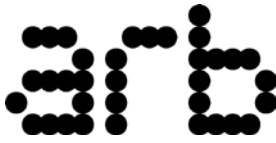
A final point was raised about the current information set out on the website and particularly the section 'what is ARB'. It was felt that this was now outdated given the parity between UK and EU applicants and that this should be updated to reflect this.

15 Update on the delivery of the 2015 Business Plan

The Board noted and discussed performance against the 2015 Business Plan at the mid-year point.

16 Minutes

- i) The Board noted the draft minutes of the Investigations Oversight Committee held on 4 June 2015.



17 Any other Business

There was none.

Dates of meetings 2015

- 17 September 2015
- 18 September 2015 - Board Development Day
- 19 November 2015 - E & D Post-Board Discussion

The Board noted that Jim Low would be attending one of the meetings detailed above and that the dates of the 2016 meetings would be circulated in due course.