



Subject	Board and Committee Effectiveness Review		
Status	Open		
Purpose	For Decision		
From	Interim Registrar		
History	Parent Committee	First Submitted	Revision Number
	N/A	11/02/2015	1

If you have any enquiries on this paper, please contact Karen Holmes on 020 7580 5861

1. Purpose

To consider any steps to be taken following the outcomes of the Board and Committee Effectiveness Review

2. Recommendations

It is recommended that the Board:

- i. Considers the collated responses from the 2014 review, alongside the responses for 2013;
- ii. To agree the suggested actions attached as [Annex D](#).

3. Terms of Reference

The Board has established an Effectiveness Review which is undertaken each year, the results of which are considered by the Board and the Committees.

4. Open

5. 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.

6. 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.

7. Key Points

- a. In November 2014 the Board agreed to circulate effectiveness questionnaires to the Board, the Board's individual committees and to appropriate advisers. The Board also agreed that a separate questionnaire including relevant questions would be completed by the Operational Management team, and reported separately. Attached as **Annex A** is the consolidated data gathered from the Board questionnaire. The data gathered has been illustrated in graph format. In an attempt to illustrate any changes in views since the 2013 review, we have provided both sets of data in an additional graph to compare trends.

Any commentary received as part of the 2014 review is also provided under each question.

Attached as **Annex B** are the consolidated responses to the questionnaires completed by each member of the Board's Committees. Please note, as agreed in November, the Audit Committee responses include contributions from the Internal and External Auditors. The Prescription Committee's Independent Adviser was also asked to complete the questionnaire.

Annex C provides the responses received from the Operational Management Team.

Annex D provides the suggested action points for decision drawn from the Board questionnaire.

- b. The purpose of the Effectiveness Review is to enable the Board and its Committee's, to highlight areas of improvement, and areas for future development. 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.

The graphs illustrate the responses received. We have taken the approach of highlighting key findings and suggested actions in this paper. For clarity, recommended actions can also be found in **Annex D**.

In relation to the Committees, a short overview is provided below, with the recommendation that each Committee consider the responses to its specific questionnaire at a forthcoming Committee meeting and agree any actions. Any actions agreed will be reported to the Board through the Committee's minutes, or in a separate report to the Board, if appropriate.

- c. **Board Questionnaire Responses**

Taking in to consideration the commentary and the responses to the specific questions, the following actions are suggested on each of the high level categories:

Q1. The Role of the Board

Equality and Diversity Responsibilities – refresher training be delivered for Board members and staff during 2015. Further work to be done within the staff team to improve the reporting of Equality and Diversity implications to the Board. Within the staff team, we will also be undertaking further work on how we can imbed E & D within our day-to-day work more effectively.

Corporate Collective Responsibility – in line with best practice a Corporate Governance refresher session will be held for the Board during 2015.

To further improve this area, it is recommended that the following actions take place:

Action 1: Statutory Responsibilities - individual concern over the interpretation of Section 4 of the Act. It is recommended that this matter be explored further with the individual who raised it. A report, if appropriate, will be brought back to the Board for consideration.

Action 2: Purpose and Objective Alignment – A review of the current Purpose and Objectives will be undertaken at the next Board development day to ensure continued alignment, taking in to consideration the Periodic Review, and any amendments to the Board’s statutory functions.

Q2. Board Ethos & Approach

The Board members handbook is currently being reviewed, with the intention of the revised version being adopted during 2015. The handbook revisions to be considered by the Board will include the additional requirements introduced by the DCLG during 2014, regarding the Standards of Public life. A fully reviewed handbook will further enhance and clarify the Board’s ethos and approach.

A session on identifying and managing conflicts of interest will be delivered during 2015.

To further improve this area, it is suggested that the following actions take place:

Action 1: As part of the Board’s development day (or part of a post Board session) hold a discussion on ARB’s values (Proportionality, Objectivity, Openness, Transparency, Integrity and consistency in its work). This will enable Board members to discuss areas for improvement or further exploration.

Action 2: Review the Board’s policy on what is considered in the open session and confidential session of the Board meetings. This will ensure the policy remains fit for purpose and relevant.

Q3. Risk Management

The majority of the Board feel sufficient time is dedicated to determining risk strategy and management; however some Board members feel that the organisation's risk appetite is not always considered. All Board papers include a section on risk.

Action 1: It is recommended that the management team review the presentation of Board papers to identify if risk can be highlighted in a more effective way.

Q4. Performance Management

The vast majority of the Board feel they are receiving regular, high quality information, including financial information. The Board unanimously agreed that early warnings of problems that may impact on the delivery of ARB's business are provided.

Action 1: To ensure the Board continue to feel the level and quality of information provided by the team is appropriate, it is recommended that the management team keep under review, through regular feedback gathering exercises with the Board, to ensure that information continues to be timely and of high quality.

Q5. Board Effectiveness

As stated under Board Ethos, a development session on identifying and managing conflicts of interests is planned for 2015, as well as a session on the roles and responsibilities (Corporate Governance refresher) of Board members on public bodies.

Action 1: Continue to demonstrate transparency in the Board's work by reviewing the policy on what agenda items are considered in the open and confidential sessions of the Board meetings (as suggested in Board Ethos 4).

Action 2: Continue to improve the Board's website to ensure clear navigation to all information from varying audiences.

Action 3: To ensure the Board is best equipped to deal with difficult issues, build in to a Board development day or post Board session a discussion on ways in which improvements in this area can be secured.

Action 4: Ensure time is built in during the Board's post Board sessions and Development days to include ongoing horizon scanning. This should include the involvement of external presenters, who may provide a different perspective.

Action 5: Ensure that Board decisions are evaluated where appropriate, with follow up reports from management to enable the Board to evaluate the effectiveness of its decisions.

- Action 6:** Scheme of Decision Making – to improve awareness of the scheme and adherence to it, it is suggested that the Interim Registrar provides the Audit Committee with an annual compliance report. The Audit Committee can then report on the findings of the report in its minutes.
- Action 7:** Legal Advice – a different approach has been taken to how the Board receive legal advice since late 2014. An evaluation of the impact of this decision will be undertaken and provided to the Board in September 2015, when the Board considers its budget for 2016. The Board can however reconsider the approach at any juncture in the meantime.
- Action 8:** Relationship with stakeholders – incorporate in to a Board development day (or post Board session) the time to discuss ideas for improving this area of the Board’s work. 2014 saw the introduction of a published Communications Strategy and an Internal Communications Plan. An annual report on progress will be brought back in due course. Improved reporting has been introduced through the weekly Communications update.

Q7. Board Composition

The answers to the questions provide a wide range of views.

- Action 1:** Provide the responses to the DCLG to assist them with the intended review of Governance as part of the Periodic Review.

d. Board Committee Responses

The following is a brief outline of the returns in respect of Committees, which will be considered individually by each Committee and action adopted as they felt appropriate. Any actions agreed at Committee level will be reported to the Board via the Committee minutes, or raised with the Board through a separate report if appropriate.

Audit Committee

All four members of the Committee and the internal and external auditors have completed the questionnaires.

Overall the responses were positive with the majority of the respondents answering Agree or Strongly Agree, however a negative response was received in each of the following areas:

- The Committee consideration of ARB’s risk appetite when making decisions and advising the Board
- The provision of sufficient, timely good quality information.
- The size of the Committee and the diversity of it.

- The Committee has the right mix of skills and experience on it.

Remuneration Committee

All three members of the Committee completed the questionnaire.

Overall the responses were positive, a negative response was received in each of the following areas:

- The Committee consideration of ARB's risk appetite when making decisions and advising the Board.
- The size of the Committee and the diversity of it.
- The Committee has the right mix of skills and experience on it.
- Committee members receive appropriate induction and ongoing development.
- The Committee understands its responsibility to the public sector equality duty under the Equality Act 2010, and weighs this carefully in its decision making.

Prescription Committee

All six Committee members responded, along with the Independent adviser.

Overall the responses were positive, a negative response was received in each of the following areas:

- The Committee has sufficient time to discharge its responsibilities.
- The Committee understands the issues which are on the horizon for ARB which may impact on the Committee's area of work.
- The Committee is the right size and sufficiently diverse.
- The Committee has the right mix of skills and experience.
- Committee members receive appropriate induction and ongoing development.

Investigation Oversight Committee

All three members of the Committee completed the questionnaire.

The majority of the responses were positive. A negative response was received in relation to awareness of areas in which the Committee can take decisions under the Scheme of Decision Making.

Two respondents disagreed that Committee members receive appropriate induction and ongoing development.

Operational Management Team

This is the first year that the management team have been asked to complete a separate questionnaire. The responses are illustrated at [Annex C](#). The Board are asked to note the findings.

e. **Next Steps**

Board

If the Board agrees the actions recommended actions in **Annex D**, the management team will take the appropriate steps to move the agreed actions forward.

Committees

It is recommended that each Committee discusses the findings of its individual effectiveness questionnaire and agree any actions. Any actions agreed will be reported to the Board via the Committees minutes, or raised with the Board through a separate report, if appropriate.

8. Resource Implications

The suggested action points can be executed using existing staff resources. Sufficient time for the Board to consider ongoing improvements and explore issues must be factored in to the Board Development sessions.

9. Communication

The Board recognises the importance of Board evaluation in improving the Board's effectiveness.

10. Equality and Diversity Implications

See comments on Equality and Diversity within the responses and contained within the suggested actions.. Further training for the Board and staff will be provided during 2015. The management team are also committed to embedding E & D further in to the day to day work and policy delivery of the organisation.