



Subject Update on the Periodic Review
Purpose For Note
From Registrar and Chief Executive

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1. Summary

In March 2014, the Department for Communities and Local Government (DCLG) commenced a periodic review into the regulation of architects and the Architects Registration Board. Phase one looked at the evidence for and against the continued regulation of architects and concluded in November 2014 that there remained a case for regulation of the profession. The government further found that this should be undertaken by an independent body, which also fulfilled the role of the Competent Authority as required by the Directive 2005/36 on the Mutual Recognition of Professional Qualifications.

Phase two of the government's review looked at the form and function that this regulation should take and in March 2017 the government published its final report, including its conclusions and recommendations. This paper provides the Board with an update on the final report, setting out what has happened since its publication and the next steps.

2. Open/Confidential Session

Open session.

3. Contribution to the Board's Purpose and Objectives

The Periodic Review has looked at the very essence of the Board's purpose and objectives. Phase one investigated whether statutory regulation was needed and, having concluded that it was, phase two assessed whether the current legislation provides ARB with the necessary mandate and represents regulatory best practice in terms of governance. As such the review is fundamental to determining the Board's future remit.

4. Key Points

Context

In April 2011, following the reforms which occurred as a result of the Public Bodies Act, the government announced that all remaining non-departmental public bodies (NDPBs) would be subject to review, usually by their sponsoring government departments. The purpose of these evaluations was to implement three tests, i.e. that NDPBs could only exist if they performed either a technical function requiring external expertise; needed to be politically impartial for the benefit of the public good, or, had to act independently of Ministers to establish facts and figures with integrity. In the event that a review concluded that a

particular body should continue as an NDPB, it was required that the body's control and governance arrangements were evaluated to ensure that the body was complying with recognised principles of good corporate governance.

The original guidance, for reviews scheduled for 2014 to 2015, was updated with revised text issued in March 2016. The guidance now provides government departments with greater flexibility so that these assessments are proportionate to the size and type of the public body and more adaptable in terms of the approach and timeframes. Nevertheless, the aim of these reviews is still: '(T)o ensure public bodies remain fit for purpose, well governed and properly accountable for what they do.'

DCLG's periodic review into the regulation of architects noted that whilst the ARB is a public corporation not directly covered by the Cabinet Office Reform Programme, it should still be subject to evaluation at reasonable intervals. The report therefore stated that the periodic review was carried out in accordance with the established tests and principles (these are that it should be timely, challenging, inclusive, transparent and value for money).

Phase one of the periodic review into the regulation of architects

DCLG conducted the periodic review into the regulation of architects according to Cabinet Office guidance. DCLG's phase one report confirmed that there remained a case for continued light touch regulation of architects based on protection of title. It further concluded that there were opportunities to reduce costs and improve services by strengthening the Board's governance and improving the organisation's complaints handling processes.

Final report of the periodic review into the regulation of architects (conclusion of phase two)

On 30 March 2017, Gavin Barwell MP, Minister of State for Housing, Planning and Minister for London at the Department for Communities and Local Government (DCLG) made a written statement to Parliament announcing the publication of the report into DCLG's review of architect regulation and the ARB. The report follows the conclusion of phase two of the government's wide-ranging review into the regulation of the profession. It draws on the evidence collected and makes recommendations for change including strengthening the Board's governance and accountability and improving the complaints' handling and disciplinary processes.

The final report is available on the gov.uk website and can be viewed [here](#).

DCLG presentation to the Board

On 7 April the Board met to discuss the Report and received a presentation from DCLG officials.

The DCLG set out information regarding the periodic review process, explaining the two phase approach and setting out how the Department had collected evidence from stakeholders. As part of the presentation, the DCLG provided the Board with indicative implementation timelines for some of the recommendations. The Board were able to ask questions in relation to the Report and the next steps.

An element of the periodic review covered the matter of routes to registration and, whilst

the DCLG made recommendations in this regard, it advised that these could not be taken forward at this stage. There is uncertainty regarding the terms of the UK's withdrawal from the EU specifically in relation to the approach to mutual recognition. Consequently, government departments have agreed to hold consideration of changes to current systems and requirements for registration for the time being. Nonetheless, this does not prevent the elements of routes to registration, which the Board considers to be business as usual, from being discussed with the DCLG.

It was agreed at the 7 April 2017 meeting that representatives from the DCLG would attend a section of the 12 May 2017 Board meeting to provide a further update on the implementation plan.

5. Resource implications

The Board will work with DCLG to consider and progress the government's recommendations.

A number of the recommendations require legislative change and so are in the government's domain. ARB will support and contribute as required and requested.

Other recommendations are in the Board's domain. A plan will be produced by ARB's Operational Management Group, setting out how the actions for which the Board has ownership, could be delivered. The resource implications will be assessed as part of the planning process but are likely to be significant in terms of staff time and technical/legal expertise.

There will be resource implications over a sustained period of time. Some recommendations will be able to be considered at present whereas others, including those linked to the UK's withdrawal from the EU (such as routes to registration) will be suspended until the department confirm that they can proceed.

7. Risk Implications

The periodic review addresses the fundamental role of the regulator going forward. The outcomes of the review are of importance to consumers of architects' services, the profession, schools of architecture, professional bodies and other interested stakeholders. It also has implications for wider regulatory policy in other sectors. As such how the Board approaches and responds to the review could have an impact on the reputation of the organisation.

Having an agreed plan for implementation provides clarity and managing expectations with regards delivery.

8. Communication

This update provides the Board with information regarding recent developments in relation to the publication of the government's final report on the periodic review. It provides background information on the objectives underpinning the government's review process, thus setting the findings in context. This paper is also presented to the Board as a matter of

public record, placing up-to-date information in the public domain.

9. Equality and Diversity Implications

ARB takes equality implications into account in all areas of its work and where appropriate, specific impact assessments are undertaken.

10. Further Actions

These are referred to within the key points set out above.

Bibliography

Gov.uk (July 2014) Triennial reviews: guidance and schedule (This guidance explains how to carry out triennial reviews of non-departmental public bodies and lists reviews scheduled for 2014 to 2015). Available at <https://www.gov.uk/government/publications/triennial-reviews-guidance-and-schedule> (Accessed: 24 April 2017).

Gov.uk (March 2016) Tailored reviews of public bodies: guidance (This guidance for government departments explains how to carry out tailored reviews of public bodies). Available at <https://www.gov.uk/government/publications/tailored-reviews-of-public-bodies-guidance> (Accessed: 24 April 2017).