

Minutes of Board Meeting held on 09 December 2019

Location	Present	In Attendance
8 Weymouth Street London W1W 5BU	Alison White (Chair) John Beckerleg Mark Bottomley Derek Bray Emeritus Professor ADH Crook Will Freeman Stephen McCusker Liz Male Richard Parnaby Elena Marco	Karen Holmes (Registrar) Emma Matthews Simon Howard Rob Jones Marc Stoner Holly Wignall (Minutes)
Note		Action

1 Apologies for Absence

No apologies were received.

2 Members' Interests

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

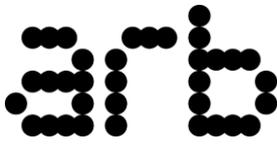
3 Update from the Chair

The Chair welcomed Board members to the December meeting.

The Chair informed the Board of the recent recruitment exercises that had taken place to appoint independent non executives to each of the different Committees, and gave a brief update on the recent Committee meetings.

The Chair reviewed the changes made with regards to governance, including the changing role of the Prescription Committee. The Chair reminded the Board that future processes will place the accountability for making recommendations about matters of prescription firmly with the Executive, with the role of the Prescription Committee being to scrutinise, challenge and where necessary improve, those recommendations, which would then come to the Board for a decision. Four independent non-executive appointments had been made to the Committee and an induction meeting had been scheduled for mid-January.

In respect of the Audit and Risk Assurance Committee, the Chair informed the Board that an experienced lay member had been identified and that the Board would be asked to ratify that appointment later in the private agenda. The Committee was now meeting on a regular basis with meetings already scheduled throughout next year. The Chair confirmed that an early area of focus for this Committee had been a



refresh of the risk register and associated processes for risk management, including the risk appetite for each risk. Following a meeting with the Ministry's Chief Risk Officer on 7 November, the Chair, Chief Executive and Chair of the Committee were reassured that the approach envisaged by the Board is entirely consistent with Departmental requirements.

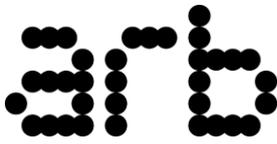
Although the Policy Committee had not yet met, the Chair confirmed that a date had been agreed to identify candidates for the two independent members. Meeting dates for 2020 would then be organised as soon as possible in order that the Committee can start its work.

The Chair confirmed that, subsequent to the Board's briefing about the progress of the industry response to the Hackitt review at its last meeting, she and the Chief Executive had attended a consultative conference organised by the industry. The Chair reported that Dame Judith Hackitt attended the conference. Dame Hackitt emphasised that training and competence must be integrated and holistic, and urged an immediate and urgent industry response without waiting for legislation to be put in place to mandate it. The Chair confirmed that she expected to hear more from both the new government and the industry leaders about proposed next steps early in the new year.

The Chair moved on to recap the Board development day and informed the Board that it will hear further on Criteria recommendations in the Spring from the recently established focus groups. These groups had been commissioned to consider whether changes needed to be made to the Criteria regarding fire and life safety and the climate change emergency.

The Board was told of a recent meeting between the Chair, Chief Executive and SCHOSA, as well as the Chair and Chief Executive's visit to the Royal Society of Ulster Architects in November, which focussed on determining what the future model of regulation would look like. The Chair confirmed that she intended to make similar visits to Wales and Scotland in the early part of next year.

The Chair recounted to the Board her November meeting with the Ministry of Housing, Communities and Local Government. It was explained to the Board how the current fee structure was unlikely to fund the scale of change required in the post-EU Exit and post-Hackitt environments and informed the Board that it should be prepared to deal with this issue in due course. The Chair was asked if she was able to provide further information on the fee structure, however the Chair confirmed that she was not able to do so at this time. The Board was told not to expect any changes to legislation until 2021 which represents an accelerated process, and informed that the changes in Government have continued to cause further delay with regard to



appointments for the current and forthcoming Board vacancies.

The Chair concluded by reminding the Board of the open evening for stakeholders taking place that evening.

The Chair was asked about her key outtakes from the Professional Standards Authority symposium that she had attended with the Head of Professional Standards. The Chair expressed that the purpose of the symposium had been to look at how Regulation had developed in different sectors and how broader sectoral learning could emerge from this—this thinking would inform the work of the Board as it considered changes to the current regulatory model.

4 Minutes

i. To approve the open session minutes of the meeting held on 25 October 2019.

The draft minutes provided to the Board were agreed without amendment.

The Board approved the minutes of the meeting held on 25 October 2019.

The decision was unanimous.

ii. To approve the written resolution regarding the Procedures for Prescription of Qualifications.

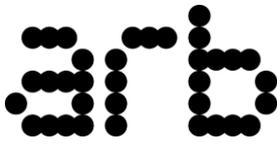
The resolution was agreed unanimously by write-around prior to the meeting, and formalised by the Board at the meeting.

The Board approved the written resolution regarding the Procedures for Prescription of Qualifications.

The decision was unanimous.

5 Matters Arising Report

The matters arising report was noted by Board members.



6 Prescribed Exam Review

i. Presentation from Rob Jones, Head of Registration

The Head of Registration provided an overview of the process, the history of the review and the decision to narrow the review's focus after the cessation of the business as usual Criteria review. Some background was provided about the decision made in November 2016 not to review the eligibility for the exam due to the fact this would destabilise current routes to registration.

Concerns were raised by Board members regarding the cost-neutrality of the exams as the price had not changed since 2013. It was explained that the training for the prescribed examiners was taken out as an operational cost to ensure that the price did not rise.

The Board asked that an analysis of direct and indirect costs of the exams should be provided and discussed in due course.

ii. To consider changes to the Procedures from the Prescribed Examination following the business as usual review before going out to consultation.

No questions were raised following the presentation by the Head of Registration.

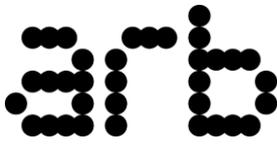
Board members were encouraged to observe a prescribed examination in the new year.

The Board was asked to consider the changes to the Procedures for prescribed examinations as the current governance was out of date. The revised Procedures had been drafted to align with the new governance arrangements that were put in place in Summer 2019.

It was clarified that the role of the Independent Advisors would be to advise the Chief Executive in the first stages, and to advise the Chair of the Board in the event of an appeal.

The Board queried whether the workload of the Chair in this respect should be shared amongst the Board. It was explained that this would not be necessary as it was highly unlikely that there would be more than six appeals in one year.

The Board approved the changes and asked that this be appropriately communicated to any stakeholders who participated in the original consultation.



Following the presentation, the Board posed broader questions regarding the prescribed examinations: it was agreed that these would be discussed further at a separate meeting.

The Board questioned whether 43 Prescribed Examiners were necessary, and whether the cost of the exams might inhibit the diversity of applicants. As each part of the prescribed exams currently cost £1671.00, it was questioned whether this meant it might be more difficult for those from developing countries to engage. ARB confirmed that socio-economic background is now considered as part of the collected equality and diversity data and so this might be expanded upon at a later date.

A member of the Board raised a point for discussion at a later date regarding eligibility. For example, how the ARB would deal with a situation in which someone who had been working as an Architectural Technologist for 20 years applied to become an Architect. This point was endorsed by another Board member who suggested an “experienced professional” route.

The Board approved the changes to the Prescribed Examination following the business as usual review.

The Board agreed:

- i) To issue the changes to the Exam procedures at Annex A for consultation; and**
- ii) To publish the revisions to the Exam procedures on the ARB website for a period of four weeks to allow any interested parties the opportunity of providing any representations they wish to make in relation to the changes at the first appropriate opportunity following the election period.**

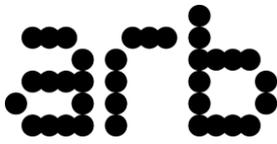
The Board noted that as these were business as usual changes, and aspects of the current Exam procedures were now inoperable following changes to the governance structure, the Board did not consider it appropriate or necessary to run a full three-month consultation period.

The decision was unanimous.

7 Consultation on the General Rules (Temporary Appointment of Chair/Other General Updates)

To consider and agree draft rules for public consultation which:

- set out the position should the Board need to appoint a temporary chair;**



- other general adjustments to ensure that the rules facilitate the smooth operation of the Board's work; and
- in the event they are needed, align the rules with the No Deal legislation that would come into effect after the UK has exited from the EU.

To note that the consultation will be issued after the general election period, which concluded on 12 December 2019.

This item was introduced by the Head of Qualifications and Governance, as a follow up to a previous presentation that the Board had received on the General Rules.

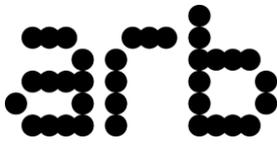
It was explained that this set of changes should conclude the series of adjustments that had been made to the Rules over the last few months. ARB would then be in full alignment with the Act and be ready for a 'no deal' EU Exit. In relation to the 'no deal' EU Exit changes, ARB would only implement these if the UK were to leave the EU without a deal on 31 January. The recommendation was that the proposals for adjustments were approved for a five-week consultation period. It was clarified that the consultation would be issued once purdah has concluded, in line with the election guidance received from Cabinet Office. The consultation would be shared before the festive break and the Board should be able to review the consultation responses at the January meeting.

With regards to the General Rules amendment concerning the appointment of a temporary Chair, it was suggested by the Chair of the Board that the Remuneration and Appointments Committee should provide advice to the Board in terms of the appointment of a temporary Chair as it was important that the Board had expert advice for the process of appointments. This would not be a change to the General Rules, but would require an amendment to the Terms of Reference for the Remuneration and Appointments Committee.

The Board approved the additions and adjustments to the draft rules for public consultation.

The Board agreed:

- To issue the changes to the General Rules at Annex A for consultation; and**
- To publish the additional Rules on the ARB website for a period of five weeks to allow any interested parties the opportunity of providing any**



representations they wish to make in relation to the changes at the first appropriate opportunity following the election period;

The Board noted that the details of any representations will be brought back for its consideration at its meeting of 27 January 2020, when it will be asked to finalise a revised version of its Rules. The changes to the Rules will then become effective immediately, with the exception of the changes associated with the UK leaving the EU/leaving the EU without a deal. The relevant adjustments set out in Annex A would only become effective on Exit Day in this scenario. If they are not required, these changes, particularly those relating to a no deal scenario, will not be made.

The decision was unanimous.

8 Scope of a Review of ARB's Approach to Prescribing Qualifications

The item was introduced by the Chair.

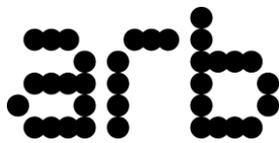
The Chair reported that the review of the Procedures for the Prescription of Qualifications was part of a wider set of reviews. The current proposals meant that a business as usual criteria review could occur, and so this different approach was developed.

The paper set out the high-level objectives, outline project plan and timeframe for the review of ARB's approach to the prescription of qualifications. The Registrar and Chief Executive then outlined a proposal to develop more detailed plans to sit beneath the scope in order to operationalise the review. It was noted that the proposed timetable might be impacted by the wider review of competencies and routes to registration in due course.

The Chair emphasised that the focus is to be strategic stakeholder engagement on big issues, as set out in the Chair's report.

The Board requested that ARB bring further details, such as an outline project plan, to the January meeting in order that it may better understand the context for the wider review of the competences an architect will need to have both to join and remain on the Register.

The Board approved the Review to begin in January



The decision was unanimous.

9 Operational Activities Report

The report was presented by the Registrar and Chief Executive, who highlighted a number of key areas.

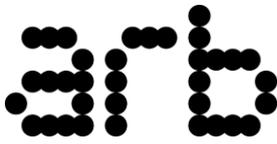
The Quality Assurance Agency's (QAA) benchmark statement was highlighted to the Board.

It was confirmed that the Head of Qualifications and Governance had been involved in discussions of revisions to the benchmark statement, and a consultation was now live and open until 31 January 2020. The consultation involved asking the higher education sector whether they would rather have the ARB and RIBA criteria embedded into the benchmark statement, or the information provided by signposts and links. The Board recommended that ARB remind schools that the consultation was now live, as schools were unlikely to be aware of this.

It was explained to the Board that the QAA role was changing significantly and that the Office for Students now had a much stronger regulatory role in England. It was confirmed that contact was to be made with the Office for Students to find out more about its new role. The Board would be provided with an update early in the new year.

Members of the Board expressed concerns regarding the potential for confusion caused by a lack of consistency of multiple bench-marking bodies. It was confirmed that ARB would be responding to the QAA's consultation and would express its concerns. The Board suggested that ARB speak with the Chief Executive of the QAA directly in order to highlight the issues and concerns. Nevertheless, the Board did note that the QAA did explain how to achieve the benchmark, which it considered a useful tool.

The Board was provided with a brief update regarding ongoing discussions with the European Network of Architects Competent Authorities (ENACA) and the Architects Council of Europe (ACE). A discussion regarding changes which were being made to the guidance which underpinned the Mutual Recognition of Professional Qualifications Directive would be taking place with ENACA and ACE in February 2020. The Chair highlighted that whatever the outcome ARB's primary concern was to maintain the integrity of the UK Register.



It was reported to the Board that approximately 22,000 retention fee payments had been paid to date, and that there were about 20,000 left to collect, which was usual for this time of year. The Board recognised that this was a very busy time of year and expressed thanks to the staff team at ARB.

10 Annual Report from the ARB Investment Broker

The report was presented by the Head of Finance and Resources as it was decided that it would be inappropriate for the Investment Broker to attend while ARB was currently tendering for the Investment Management Service.

The Chair commented that the return on the investment portfolio is composed of yield of 1.67% and capital growth of 5.3% to give a total return of about 7% (from which the investment managers' fees of circa 0.3% (£19,971) are deducted). In due course, the Board needs to consider the balance between yield and capital growth in the context of its risk appetite and also the management of performance more proactively, taking industry benchmarks into consideration. Finally, the cost of management of the portfolio is important, especially if more transactions are required and additional dealing fees have to be paid.

The Board noted the content of the annual report, and agreed that no changes be made to the portfolio ahead of the appointment of a new investment broker.

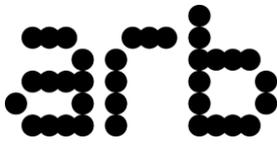
11 Management Accounts

The paper was introduced by the Head of Finance and Resources.

It was reported to the Board that the overall forecast surplus had only changed by £3000. There were two factors surrounding the change. Firstly, there had been an increase in the number of individuals requiring an ARB European Certificate, as well as an increase in the number of registration applications, both of which related to the pending UK exit of the EU. Secondly, the Professional Standards team had been successful in listing more Professional Conduct Committee cases than anticipated and so had reduced the forecasted underspend.

No questions were raised by the Board.

12 Professional Conduct Committee Annual Report



The Chair of the Professional Conduct Committee was unable to attend and so the report was introduced by the Head of Professional Standards.

The Board noted that the report was very clear and helpful.

The Board was informed that there were many hearings due to take place in the first quarter of 2020 which Board members were invited to attend.

13 Minutes

The Board noted the minutes of the Audit and Risk Assurance Committee meeting held on 2 October 2019.

14 Any Other Business

A member of the Board raised the upcoming university strikes, which ARB confirmed the Qualifications team would look into in order to assess the impact this may have on delivering the courses.

15 Dates of Future Board Meetings:

27 January 2020

5 March 2020

14 May 2020

19 June 2020 (development day)

10 July 2020

2 October 2020

3 December 2020