

Board paper

Subject: People Committee Chair's 2025 Annual Report
for the ARB Board

Board meeting:

12 May 2026

Agenda item: 11

Action:

- For noting
- For discussion
- For decision

Purpose

To discuss the People Committee Chair's 2025 Annual Report to the ARB Board.

Recommendations

The Board is asked to discuss the People Committee Chair's 2025 Annual Report to the ARB Board.

Annexes

Annexe A – People Committee Annual Plan of Work for 2026.

Author/Key Contact

Liz Male, Chair, People Committee

1. Open Session

2. Background and Key points

- 2.1. Under its Terms of Reference, the Chair of the People Committee is required to provide the Board with an Annual Report on the Committee's work.
- 2.2. The following report covers the period between 1 January 2025 and 31 December 2025. The Committee's Terms of Reference during the reporting period were those which became effective on 1 January 2025.
- 2.3. During this period the membership of the Committee has been as follows:
- Liz Male, (Chair, Lay Board Member)
 - Stephen McCusker (Architect Board Member)
 - Teri Okoro (Architect Board Member)
 - Samantha Peters (Lay Board Member) until 31 March 2025
 - Jon Prichard (Lay Board Member) from 1 June 2025
 - Ian Muir (Independent Member)
- 2.4. Jon Prichard replaced Samantha Peters, who was required to step down from the Committee due to the end of her tenure as a temporary Board member.
- 2.5. During the reporting period, the Committee held four meetings on 27 February, 8 May, 13 August and 12 November 2025. Each meeting was quorate. Regular attendees from the Executive included the CEO & Registrar, the Head of People, the Director of Governance & International, as well as members of the Governance and Human Resources teams.

Overview

- 2.6. The Committee has provided feedback on a wide range of specific policies as well as key people related data. In doing so it has tried to apply a 'systems' thinking approach to encourage the executive to consider how key issues relate back to the delivery of the Corporate Strategy and Business Plans. We have looked at people risks, including, but not limited to:
- Management capability
 - Leadership and succession
 - Reward strategy and motivation of staff
- 2.7. We have encouraged the Executive to use data to drive continuous improvement. For example, taking the 2025 staff survey data and encouraging 'you said, we did'.

Key activities

2.8. An external expert from IDR was invited to join the Committee in February 2025 to provide insight and information on the pay and benefits benchmarking exercise (which had been carried out in December 2024). The information provided informed the recommendations in this area prior to them being considered by the Board. External consultant, Dru Jaeger, also attended the Committee meeting to present headline results, following the Staff Survey.

2.9. The Committee has provided regular feedback to the Board through its minutes, and inputs and recommendations within key Board papers, e.g. Board and Committee succession planning, feedback and recommendations on the Board and Committee Annual Performance Review cycle. Oral updates have additionally been provided through the Committee Chair.

2.10. The work and achievements of the Committee over the last year can be summarised as follows:

2.10.1. People Strategy

Providing support and advice to the Executive, as well as holding the Executive to account on the continued development of the People Strategy, aligning workforce priorities with the ARB's goals, including a new Learning and Development strategy, management development pathway and training programmes, and the new HR systems (Sage People and Kallidus), and a strengthened focus on linking people activity to organisational performance.

2.10.2 The Committee has been involved in the development of the training and development for both Board and Committee members, and the succession planning principles for Board members considering tenures coming to an end over the next 2 years. Planning for the departures of Board colleagues has been an important area of work for the Committee.

2.10.3 Pay and Reward

Providing challenge on the pay benchmarking exercise carried out by IDR to ensure that the actions around pay and benefits were proportionate, within planned budget whilst also reflecting the market. This included the review of fees for the Board, Committee members and independent committee members. Providing advice to the Chief Executive Officer & Registrar regarding the pay and performance process for ARB staff and performance feedback for SLG members.

2.10.4 Actively reviewing the pay approach for the 2025 annual pay award ensuring that the approach and decisions taken on pay, are in line with the People

Strategy and financial budgeting decisions and examining any potential pay drift issues or gender pay gaps that could arise.

2.10.5 Annual Review Process for Board Members

Providing feedback on the newly implemented Annual Performance Review process for Board members, so that adjustments were made to improve its effectiveness and operation.

2.10.6 Annual Surveys

Providing advice and feedback regarding the annual staff survey, which in 2025 achieved a completion rate of 88%. Staff continue to view ARB as a great place to work, and key results from the survey have led to further improvements in areas such as learning and development. Staff survey data is also used to help assess engagement, pay perception, EDI consideration and management effectiveness.

2.10.7 Policy Development

Approving an updated expenses policy for both the executive and Board and Committee members. Approving the Associates Recruitment and Appointment Policy that had not been reviewed for a few years.

2.10.8 Providing guidance on the succession planning principles for the executive sharing experiences and ideas around best practice.

2.10.9 Other areas of work

Supporting extended training for ARB managers in leadership and management through a provider called KSL.

2.10.10 Providing feedback on the development of HR reporting and data drawing on collective expertise.

2.10.11 Providing oversight of the updating of key HR policies and policy governance cycles.

2.10.12 Conducting a Committee effectiveness review, with improved agenda structure and strengthened alignment between Committee work, strategy and Board reporting.

2.11. The Committee has continued to work successfully in reviewing, informing and approving new People Strategy developments, exploring HR topics, sharing data, evidence and best practice and experiences when making decisions and recommendations for Board approval.

- 2.12. The work of the Committee ensures that ARB fulfils its Strategic and People Strategy objectives in relation to its employees, Board members and associates.
- 2.13. It is worth noting that ARB now has a headcount of c.62 employees (with no current plans to expand further). People issues are becoming more complex and need to be considered in the broader context of changing work trends and employment issues and recent employment law changes (ERA 2025) affecting all organisations in the UK, including professional regulators.
- 2.14. Looking ahead, the Committee approved its workplan for 2026 at its meeting of 12 November 2025 (see **Annexe A**). The Committee has already begun taking forward the relevant items as set out within the 2026 workplan.
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2. Resource Implications

- 3.1 The Committee holds some of its meetings online in order to minimise costs and taking EDI considerations into account. The cost of operating the Committee is factored into the Governance Department's budget each year.
- 3.2 As in 2025, we have included provision for Board and Committee briefing and development within our 2026 budget. The programme of briefing and development for 2026 has been approved by the Board and further details will be provided throughout the year as the relevant sessions are planned.
- 3.2 The Committee is supported by the Governance, Human Resources and Chief Executive's Office teams.
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4 Risk Implications

- 4.1 The Board has a series of statutory obligations to fulfil as well as providing oversight of the organisation. The Board has established committees to assist with its work and achieve this. The Committee's annual report is an important means of providing the Board with assurance that the Committee is carrying out its work in line with the stated Terms of Reference, as well as assisting the Board to carry out its oversight responsibilities. The report additionally provides the Board with an opportunity to explore the Committee's work and identify any areas of concern.
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5 Equality and Diversity implications

- 5.1 The Committee in their discussions and decisions ensure that the equality, diversity and inclusion implications are considered and explored. They provide challenge where they feel that more account needs to be given to particular areas of the development of the People Strategy to incorporate ARB's EDI approach. This can be seen through the presentation of HR data through interrogating the diversity data of staff.

6 Recommendations

- 6.1. The Board is asked to discuss the People Committee Chair's 2025 Annual Report to the ARB Board.

Item 11

ARB Board – 12 May 2026

Annexe A

People Committee Planner 2026

Committee Date	Activity/Agenda Item	Comments
24 February 2026	<p>Standing Items</p> <ul style="list-style-type: none">• People Strategy Update• HR Data and Statistics• Action Log Activity <p>Discussion/Decision items</p> <ol style="list-style-type: none">1. Performance Data and Statistics update (KPIs)2. Board and Committee Safeguarding Policy3. Board Complaints Policy4. Employment Rights Bill Update (short paper)5. People Committee Ways of Working6. Staff Survey Approach and Tender Process7. Associates Performance Review Management Update8. Executive Succession Plan Policy9. Board and Committee Briefing and Development Proposals for 2026	<p>Discussion/Decision Items</p> <ol style="list-style-type: none">1. This will set out the proposals around Performance KPIs for the organisation with particular focus on HR. This will consider how to track HR costs against for example % of payroll costs. The presentation of HR data will also be included to reflect on the Committee’s views on what to present.2. Present the Policy for discussion where the outcome of a benchmarking exercise will be shared to determine if a policy is needed.3. Present the Policy for discussion and to formulate advice to then present a final complaints policy to the Board.4. With the Employment Rights Bill expected to become law in the autumn (2025) with implementation in 2026 and 2027, this will set out the key areas with any action planning for HR/People Strategy activities.5. Set out proposals on future format of People Committee Papers and other ways of working. Committee’s annual report will be produced by the executive prior to being presented at the Board.

		<ol style="list-style-type: none"> 6. Update on Staff Survey tender process. 7. Update the Committee on the work around a performance management framework for the Associates Group 8. Succession Planning policy and update on internal discussions. 9. Update on the planned programme for 2026 for Board approval.
28 April 2026	<p>Standing Items</p> <ul style="list-style-type: none"> • People Strategy Update • HR Data and Statistics • Action Log Activity • <p>Discussion/Decision items</p> <ol style="list-style-type: none"> 1. Staff Survey Results 2. Recruitment Strategy and System Update 3. Appointment of the Independent Committee Member 4. Learning and Development - Management Training Update 5. Mid Year Committee Workplan Update 6. Draft People Committee Annual Report for Board <p><i>To note – The Committee will have a new architect Board member who will have been appointed by the Board, replacing Stephen McCusker.</i></p>	<p>Discussion/Decision Items</p> <ol style="list-style-type: none"> 1. Share the staff survey results with a presentation from the organisation that has run it on behalf of ARB. 2. ARB will have procured a new recruitment ATS system during Q1, so this will be an update on impact etc. 3. Set out the approach to appoint and seek views on the background/experience/knowledge/sector of a new independent member for Board approval. 4. Set out the work to date around the management development programme/approach for all managers, may invite some managers to share their experience. 5. In line with consistent governance practice across all committees, provide an updated work plan which includes what the committee has covered to date in 2026, and what we expect to be covered for the remainder of 2026. 6. Draft of the People Committee’s Annual Report to be reviewed and agreed by the Committee before it is taken to the Board for noting (as set out in the Terms of Reference).

1 September 2026	<p>Standing Items</p> <ul style="list-style-type: none"> • People Strategy Update • HR Data and Statistics (Performance KPIs) • Action Log Activity <p>Discussion/Decision items</p> <ol style="list-style-type: none"> 1. Kallidus (L&D Strategy) Analysis 2. Benchmarking Update 3. Committee Effectiveness Discussion 4. Committee Terms of Reference Discussion 	<p>Discussion/Decision Items</p> <ol style="list-style-type: none"> 1. Provide an update on Kallidus following its implementation, whilst also looking at costs against budget (if not previously set out). 2. IDR will be asked to do a touch point review of our salaries in the summer so this will be to report back on any results/trends. 3. Discussion item which aligns with the Committee’s responsibility to review its own effectiveness. 4. Discussion item ahead of the Board’s review of the Committee’s terms of reference.
11 November 2026	<p>Standing Items</p> <ul style="list-style-type: none"> • People Strategy Update • HR Data and Statistics (Performance KPIs) • Action Log Activity <p>Discussion/Decision items</p> <ol style="list-style-type: none"> 1. Pay Award 2027 Proposal for Staff 2. Pay Award 2027 Proposal for the CEO 3. Pay Award 2027 Proposal for Board and Associates 4. Year ahead strategic resource planning. 5. 2027 Committee Workplan 	<p>Discussion/Decision Items</p> <ol style="list-style-type: none"> 1. Standard item, around the pay award and recommendations. 2. Standard item, around the pay award and recommendations. 3. Consider pay award increases for the Board and Associates. 4. Future planning for 2026. 5. To provide an update on recent People Strategy activity 6. Look at the workplan for 2027 seeking feedback from the Committee.

	<i>This will be Ian Muir's last meeting.</i>	
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