

Board Meeting

Minutes of Board Meeting held on 17 May 2023

Chair Approved

Location	Present	In Attendance
ARB Office 8 Weymouth Street London W1W 5BU	Alan Kershaw (Chair) Mark Bottomley Emeritus Professor ADH Crook Professor Elena Marco Dr Teri Okoro Liz Male Stephen McCusker Cindy Leslie Tom McDermott Samantha Peters Will Freeman (Online) Shamoon Hussain (Boardroom Apprentice)	Hugh Simpson (CEO & Registrar) Emma Matthews Simon Howard Brian James Rebecca Roberts-Hughes Marc Stoner Alice Pun Mandy Kaur (Minutes) Claudette Woodburn (Observer) Priya Warner, (Observer) Jolyon Daw (DLUHC, Observer) Rob Wilson (Item 7) Teresa Graham (Items 6 & 7)

OPEN SESSION

1. Apologies for Absence

The Chair welcomed everyone to the Board meeting. Will Freeman joined the meeting online. It was noted that Tony Crook would withdraw from the meeting at 11am and re-join the meeting later.

Jolyon Daw from the Department of Levelling Up, Housing and Communities (DLUHC), was welcomed to the meeting. Mr Daw observed the open session of the Board meeting.

The Chair also welcomed Priya Warner, Head of Professional Standards, who had recently joined ARB as maternity cover. Other members of staff would join the meeting at the relevant agenda items.

The new Lay Board Member, Samantha Peters was welcomed to her first formal Board meeting. Ms Peters would also join the People Committee, and Mr Kershaw would withdraw as a member of that Committee as had been agreed by the Board on 28 March 2023.

2. **Members' Interests**

The Chair confirmed that all Board members had been asked to declare any conflicts of interest in any of the agenda items prior to the meeting.

All Board Members declared an interest in agenda item 8, which dealt with the Board Effectiveness Review. Architect Members declared an interest in Item 6 which related to the administration fee for registrants. It was agreed that all Board members could remain in the room for these items.

STANDING ITEMS:

3. **Update from the Chair**

The Chair and Chief Executive & Registrar had met with Simon Alford, RIBA President and Jack Pringle, RIBA Board Chair. This was a positive meeting and discussions were held around regulation and ARB's Initial Education and Training, and Continuing Professional Development, proposals. The work carried out by ARB on the Mutual Recognition Agreements (MRA) had been acknowledged. A further meeting had been arranged for the end of June 2023.

The Chair provided the Board with an update about his recent visit to Australia with the Director of Governance & International, the International Manager and the Policy and Public Affairs Manager. The visit had been arranged to celebrate and promote the mutual recognition agreement (MRA) with the Architects Accreditation Council of Australia (AACA) and the New Zealand Registered Architects Board (NZRAB) which had been signed online in March 2023. The visit also included meetings with the regulatory bodies, including representatives from the United States' National Council of Architectural Registration Boards (NCARB) who were also visiting Australia, and several architectural practices. The Director of Governance & International added that there had been a meeting between AACA, NZRAB, NCARB and ARB representatives, where a range of topics were covered including the future plans for reviewing the MRAs. In depth discussions were also held about how the Australia and New Zealand MRA would operate once it was launched on 25 May 2023.

The Director of Governance & International provided a brief update on other MRA-related discussions which were taking place. There had been engagement with counterparts in Canada and South Africa, Hong Kong and Europe and initial discussions had taken place. The next steps would be to complete and follow up on the due diligence processes, which were at different stages, before moving forward. Interest had also been generated from other organisations around the World and initial exploratory conversations would take place with them in the coming months. Further updates would be provided to the Board as progress was made.

4. **Minutes**

The Board unanimously approved the open session minutes of the meetings held on 15 February and 28 March 2023.

A Board Member clarified that the point made about appeals during item 6 of the meeting held on 15 February 2023, was not related to the refusal of accreditation because of professional conduct, but simply an appeal against refusal.

5. **Matters Arising Report**

A Board Member enquired whether the Boards of similar bodies to ARB also appointed the auditors rather than the Audit and Risk Assurance Committee. The Governance Manager explained that a benchmarking exercise had taken place with similar organisations and that the outcomes had then been taken into account when drafting the new terms of reference for the Audit and Risk Assurance Committee, which came into effect on 1 April 2023. It was found that the responsibility of the appointment of external auditors in similar organisations lay with the Audit Committee. Therefore, one of the duties of ARB's Audit and Risk Assurance Committee under point 2.5 of the Terms of Reference was now to *"Appoint, reappoint or remove the external auditors, internal auditors and investment broker."*

MATTERS FOR DECISION

6. **Administration Fees for Registration Applications**

The Director of Registration & Accreditation explained that the first phase of the new integrated CRM/applications system involved replacing the Registration database. This new system would integrate the financial systems that would collect and reconcile the retention fee payment and would allow Architects to self-service and manage their registration, including their annual retention fee payments, online. The move to the automated process would deliver efficiencies with regard to resources and budget as well as improved customer service experience.

The paper set out the costs associated with retaining the manual process for those who chose not to sign up to the new system and there was an additional administration fee proposed within the paper to recover these costs. It was noted that UK legislation did not allow ARB to mandate using the IT systems.

The fee would apply only to people who elected not to use the electronic system, and this would cover the costs set out within section 3 of the paper.

A Board Member asked whether the generation of retired individuals who were not actively practising but chose to hold the 'Architect' title, and may not have an email address or direct debit, would be penalised. The Chief Executive & Registrar clarified that there was a misinterpretation within the wider profession in relation to the term 'retired Architect' which

has no legal status. ARB's register is a 'practising' Register. Someone who wished to practise architecture (even for informal or ad hoc work) and who used the title 'Architect' would need to remain a registered Architect and pay the fee.

Another Board Member noted that they were happy with the additional fee, provided it represented a cost recovery fee and not an economic incentive to switch to the online process.

[Tony Crook left the meeting]

A Board Member enquired whether other regulators took a similar approach. The Director of Registration & Accreditation confirmed that this was the case; other regulators did charge additional fees, so the approach taken by ARB was consistent with regulation in general. Board Members were reminded that one of the aims of the IT Transformation programme was to achieve a better customer experience with a 24/7 service, which enabled architects to have better control over their professional details and status, to be able to easily upload their application and access CPD. The proposed approach was in line with these objectives.

Another Board Member asked whether the significant increase in income in 2022 was generated from people who had not registered in time, and asked whether there was a correlation with a lack of access of the system. This was not the case as the data had been considered and there was no trend in relation to the gender and age group of those who had not paid the fees.

A further Board Member asked how the risk would be dealt with whereby someone who was practising and cancelled their direct debit and continued to practise but had been removed from the Register due to non-payment. The same risk applied each year with people who had responded to letters, emails or other communications. There were a number of strategies in place to target those who had not paid in time and through use of the new systems, it was possible to identify the risks more effectively rather than with the previous approach.

Another Board Member commented that the redeployment of staff from the manual registration process was a sensible approach, however it was impossible at this stage to guarantee that the new IT system would work, and this was a concern.

A question was raised about the likely response of registrants to additional charges, given that until relatively recently the Retention Fee was £119 and the administration fee of £90 was significant in comparison. The Director of Registration and Accreditation explained that there had been extensive analysis of the cost of the manual process; the present proposal was designed to recover that cost. It was anticipated that people would want to pay by using the new system. Last year, there had been only about 300 people who had paid via bank transfer, and this was a diminishing number). All other payments had been made via the portal. The £80 fee would not apply to payments made via the portal.

A Board Member suggested that the cost of the manual process be absorbed for the first year until it was ensured that all systems worked effectively. The Chief Executive & Registrar noted that the predictions on numbers were based on current estimates but there was a risk that those numbers were significantly higher, and the costs could be higher if estimates were not accurate. The Director of Registration & Accreditation added that administratively it would be possible to absorb some or all of the costs in year one, however this would have an effect on the financial assumptions that had been built into the budget for preparing for CPD and administering MRA assessments as resources had been reserved to deal with those areas of work.

One Board Member noted that there was an unknown financial cost should people not retain their registration which created a transactional risk. It was confirmed that people who had come off the Register, did return irrespective of paying the £80 administrative charge. The Board Member commented that from a practical viewpoint, if registrants were unable to use the portal for payment, they would struggle to use the CPD system further down the line.

A Board Member asked about the reasons people may not choose to use the online portal for payments. The Director of Registration and Accreditation explained that there were a range of reasons; some people preferred to pay through cash and cheques. Although there could be some impact on some architects relating to access to IT or email, analysis of the current Register showed that only 320 individuals did not pay via direct debit, or via the online portal payment. The Board Member asked if there was potential to change the form in order to reduce the administration time and workload of processing the manual payment. The Director of Registration & Accreditation confirmed that the processing and reconciliation was costly, and this could not be avoided. Online help including videos would assist people to use the online form as part of the portal launch. The system had been set up to be easily used and understandable. The Chair noted that it was also important for a user to be able to access a real person in real time due to everyone's unique situation where needed.

A Board Member commented that digital poverty, and a lack of digital literacy could impact on an individual's ability to access ARB's new system. Having reasonable adjustments would not be sufficient as some people had genuine issues around access. This needed to be addressed to ensure different options for those individuals.

The Chair reminded the Board that the users were Architects in practice; digital poverty would surely be extremely rare, if it existed at all. A Board Member agreed that the number of people who worked within the architectural industry who did not to have an email was likely to be very small.

The Director of Registration & Accreditation advised that the process of manual payments could remain in place, however this still carried a cost to ARB in terms of resources (staff time, paper costs, postage).

The Director of Resources noted that the 320 individuals who did not pay via direct debit, or via the online portal payment, had paid via bank transfer online, so it was unlikely that there

preference was not due to digital poverty. ARB had not for some time accepted physical cheques or cash payments.

The Director of Registration & Accreditation noted that there were currently approximately 300 people who had not provided an email address, and this figure could potentially be higher and there would be a larger risk, as there may be more people who chose not to confirm their email address.

The Chief Executive & Registrar suggested that there was a need to consider access and ARB would be pragmatic and supportive in response to requests for reasonable adjustments. However, the Board's stated principle in this area was for a cost recovery model and there was a need to have clarity and predictability around the finances where possible.

Board Members agreed in principle that a reduced rate transactional fee be applied for the first year for those who chose not to use the online payment portal. Any regulatory impact on registrants would be considered further in future years.

The Board unanimously approved that:

- i. Each architect who chose to manage their registration through manual paper-based processes would be required to pay a manual processing administration fee in addition to the retention fee.
- ii. In the 2024 retention fee year, a manual processing administration fee of £45 be applied, increasing to £90 from 2025 onwards, subject to any further decisions by the Board.
- iii. The administration fee would be waived for anyone needing a reasonable adjustment. This should be applied at the Registrar's discretion.

7. **Mutual Recognition Agreements & ARB-Accredited Part 3 Qualifications**

The International Manager reported that, since the last Board meeting, ARB had signed Mutual Recognition Agreements with the National Council of Architectural Registration Board (NCARB) in the USA, the Architects Accreditation Council of Australia (AACAA) and the New Zealand Registered Architects Board (NZRAB) in Australia and New Zealand. The NCARB MRA had begun to operate on 25 April 2023, and the AACAA/NZRAB MRA would come into operation on 25 May 2023.

This would entitle eligible individuals to access the new UK Adaptation Assessment (UKAA) process, which if they successfully passed, would enable them to join the Register.

The International Manager explained that where an individual fulfilled the full registration requirements of an MRA and had completed an ARB-accredited Part 3 qualification, it was proposed that they would not then need to additionally undertake the UKAA.

A Board Member queried the process that would be undertaken when the Part 3 qualification no longer existed, following the implementation of the Initial Education and Training (IET) Review outcomes. The Director of Governance & International explained that this would need to be considered by the Board once the outcomes of the Review were known; review clauses had been incorporated into each MRA to enable the relevant parties to review its basis. If the Board decided to change its accreditation requirements, it would involve further discussions with ARB's MRA partners, re-mapping the baseline requirements for registration and adjusting the relevant text within the MRAs accordingly. It was anticipated that the first review discussions would need to take place in two to three years' time.

A Board Member commented that this was good progress and aligned with the ongoing plans with the IET project.

Another Board Member noted that the plan was impressive, however the UKAA criteria did not describe the ability to act in an ethical manner; this had been discussed with the Director of Governance & International in advance of the meeting. Board Members were advised that when the UKAA process was being developed, extensive mapping exercises had been conducted and it became clear that ethics and professionalism were covered by partners' requirements. As a result, it would not be necessary to re-test these components. All architects joining under the MRA routes would also be subject to ARB's Code of Conduct, as well as the incoming CPD scheme; this would assist in ensuring that architects continued to maintain their competence in these areas.

There were approximately 44 US jurisdictions (81%) who had engaged in the MRA and NCARB were still undertaking work to encourage the remaining jurisdictions to participate.

The Director of Governance & International advised that the UKAA would be kept under review as it was rolled out; a six-month review had been programmed in to look at the UKAA in line with the Board's business plan.

The Board unanimously approved:

- i. the position on registration requirements for fully qualified architects from countries with which ARB had signed Mutual Recognition Agreements
- ii. that individuals who complied with the full requirements of each MRA and had additionally acquired an ARB-accredited Part 3 level qualification, were eligible for registration, and did not need to additionally undertake the UK Adaptation Assessment

- iii. that applicants whose ARB-accredited Part 3 qualification was issued more than 24 months prior to their application being made, should be required to demonstrate continued competence to practise before being admitted to the Register.

[Rob Wilson left the meeting and Tony Crook re-joined the meeting]

ITEMS FOR NOTE

8. **Update on externally facilitated Board and Committee Effectiveness Review**

The Governance Manager explained that following the internal Board and Committee Effectiveness Review which took place last year, there was a plan to undertake an externally facilitated Board and Committee Effectiveness Review in 2023. The Director of Governance & International and the Governance Manager had met with two different providers, to discuss and consider the core aspects of the review as detailed under paragraph 2.7 of the Board paper. Following the receipt and consideration of proposals from both providers, a decision had been taken to appoint the National Council for Voluntary Organisations (NCVO) to undertake the review. The contract was currently being considered, before being signed with the NCVO. Further meetings were expected to be held to consider timelines and other details; the details would be provided to the Board over the course of the next two meetings.

A Board Member asked if the Committees would be included within the review and was informed by the Governance Manager that this was the case. An indicative timeline had been provided under point 2.8 of the Board paper.

A Board member enquired whether a review of the Prescription Committee would be considered as part of the Board Effectiveness review to possibly include a 'lessons learned' exercise. The Governance Manager noted that the current project timeline of the Board and Committee Effectiveness review meant that it would be conducted in Q4 of 2023, however this review will include all of ARB's Committees. The Director of Governance and International added that since the current plan was for the Prescription Committee to hold its last meeting in July 2023. Separate arrangements would be made for the Committee to provide feedback.

9. **Performance Monitoring Update for Q1**

The Chief Executive & Registrar asked the Board to feedback on any of the content within the report, but he would particularly welcome any feedback about the level of detail that had been included within the report.

A Board Member commented on the usefulness of the data included within the Communications section of the report and suggested that it would be helpful to see a

comparative line from 2022. The Director of Policy & Communications agreed to combine the 2022 and 2023 graphs in future reports, for easier comparison.

A Board Member enquired whether there was a standard behaviour driving the cyclical drop of registrants who had come off the Register and then re-joined. The Director of Registration & Accreditation explained that this was associated with cycles in employment and the architectural market. A large element was also that people had not prioritised the retention fee although there was a three-month retention period and a retention fee campaign.

Another Board Member asked whether the KPIs' would change when the new CRM system was working. The Chief Executive confirmed that the SLG intended to review all KPIs, in part to consider the impact of the CRM systems, but also to ensure the Executive was challenging its own performance and ensuring they were measuring and reporting on those things that matter to the Board.

A further Board Member enquired how predictable the statistics were on the dashboard in relation to the Professional Standards work. The Director of Professional Standards informed that figures of the incoming complaints could be predicted as they remained relatively consistent year on year, however there were significant variances in the percentage of complaints that went to a panel. The Board Member asked if there was scope to make projections based on historic information. The Chief Executive & Registrar explained that in certain areas, assumptions could be made with a relative degree of confidence; however external events, such as the Grenfell Tower Inquiry Report, had the potential to have a much greater impact on future complaints. It was possible that the number of complaints could increase as a result, but it was unclear at this stage. The Board Member suggested that predictions and trends analysis in certain areas around KPI's be considered.

[Tony Crook left the meeting]

The Chief Executive & Registrar took on board a comment made by a Board Member relating to the level of detail included within the report and the risk of information overload.

Another Board Member suggested considering the top five KPI's, and then each department having a set of KPI's for a balanced scorecard, which would then allow the Board to draw specific questions from that information.

A Board Member asked if there were any statutory measures that had to be reported. It was confirmed that there were specific items that had to be reported to the Board and to Parliament.

10. **Chief Executive Officer's Report**

The Board noted the report from the Chief Executive & Registrar on matters relating to the running of the Board's business.

A Transformation Assurance Group meeting had taken place. The Group had received a more detailed briefing on the CRM system including a live online demo of the new system. The Group had also been presented with high level budget reporting for the Transformation Programme.

Considerable work had been undertaken in recent weeks in terms integrating the new IT system, including the new laptop rollout across ARB. The Board was reminded that there were two phases to the CRM/Applications project. The first phase included the set-up of the new registration system which was expected to be in place by 1 July 2023. Phase 2 included the set up of Professional Standards case management systems and Finance and HR systems which were expected to be in place by March 2024.

A summary of Workshop discussions had been included within the CEO's report to inform external stakeholders that discussions were ongoing and for transparency.

The CEO drew the Board's attention to feedback from the ARB staff survey which broadly reflected the positive movement towards staff sickness and turnover and would be considered in detail at the next meeting of the People Committee.

A Board Member highlighted a news story in recent weeks where RIBA had suggested that ARB's education proposal could force closure of some schools. The Chief Executive and Registrar noted that regular meetings were taking place with RIBA. There had been a significant number of responses from the consultation and ARB was going through a detailed period of analysis.

11. **Annual Report for the Audit & Risk Assurance Committee**

The Board noted the Audit & Risk Assurance Annual Report for May 2022 to April 2023.

There had been two Chairs of the Committee during this period and four meetings of the Committee.

The former Committee Chair stated that the Committee had met throughout that period and focused on risk and risk management, including specific risks in terms of registration. The financial performance figures were considered, and robust debates had occurred at all meetings of the Committee.

The current Committee Chair advised that, in recent meetings, the financial statements had been considered in detail.

The Board thanked Cindy Leslie for chairing the Committee until appointment of the new Chair.

12. **Financial Update**

The Board noted the management accounts for 2023 and the year-end data for 2022.

A Board Member referred to the 'additional income' that was reported from the unexpected increase in the number of registrants that had returned to the Register and noted that it was not ideal to identify this as additional income. The Director of Resources agreed that this presentational point would be considered in future reporting.

13. **Any Other Business**

There was no other business.

14. **Dates of Future Board Meetings**

Board Members were asked to retain the Prescription Matters Board Meeting dates in their diaries for the remainder of the year until further details had been provided on the establishment of the Accreditation Committee.