

# 2017 Annual Report

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# Joint Message from our Chair & Registrar and Chief Executive

We believe that a challenge can also present an opportunity. In a period of organisational and political change we remained committed to finding ways to continue to deliver efficient yet effective regulation that supports architects and protects users and potential users of architects' services.

9%

increase in engagement with the Register

29%

increase in ARB logo downloads

## The Periodic Review

In March 2017 we welcomed the then Department for Communities and Local Government's, now Ministry of Housing, Communities and Local Government's (MHCLG), Periodic Review Report which reaffirmed the ARB's role as regulator of the profession and the UK's competent authority. The Report made a number of recommendations to enable the Board to serve the public, architects and their clients even more effectively. These included reducing the size of our Board, moving to a structure where the Chair as well as its lay and architect members are appointed, reviewing complaint handling procedures and exploring office location options.

During 2017 we took steps in reaction to these recommendations. The current Board responded to the MHCLG's request to provide feedback on the merits of a Board size of nine or 11 members. The MHCLG subsequently confirmed that we will move to a Board of 11 members, including an independent appointed chair. We understand the legislation required for the change to our Board will be in place by October 2018.

Our Professional Standards Department undertook a pre-consultation on its statutory obligations to investigate complaints about architects and a public consultation on the proposed changes is planned for later in 2018.

Recommendations were also made in relation to the Mutual Recognition of Professional Qualifications Directive which sets the minimum standards for freedom of movement and impacts the routes to registration as an architect in the UK. We have embraced these recommendations and are committed to undertaking them once we know what arrangements will apply to this legislation once the UK has left the EU. The UK system is known and trusted globally and we recognise there is minimal value in revising it at a time when negotiations are underway with Member States.

## Criteria and Procedures Review

In July 2017 our Board agreed to commence 'business as usual' reviews of its criteria and procedures for the prescription of qualifications, which are used to ensure individuals hold appropriate qualifications and practical training experience upon entry to the Register. Two separate Task and Finish Groups were established in September and a range of stakeholders from across the UK were engaged in a pre-consultation exercise that concluded in October 2017. Recommendations based on the results of the consultation were presented to the Board in November 2017 and will form the basis of revision proposals. We will build on this foundation by continuing to engage with our stakeholders throughout the ongoing process of review. Consultations are planned for later in 2018 and we intend to explore the possibility for working with RIBA to try and ensure we continue to hold a set of criteria in common.

## Raising Awareness of the Register

We are pleased to report that the Register continues to grow, increasing by 4% from 38,511 at the end of 2016 to 39,987 architects at the end of 2017. Consumer confidence in the profession is integral to our work and across 2017 engagement with the Register also grew by 9% compared to 2016, to 310,000 website sessions (a user's discrete interaction with a website, typically until there is 30 minutes of inactivity).

Accessing the Register supports consumers in making an informed choice about the individual they use for their building project. During the year we encouraged local authorities to link to ARB from their websites which led to over 100 local authorities adding links to the Register of Architects. Referrals from gov.uk websites like this not only increase our reach with domestic customers considering a building project but can improve our site's status with search engines, enhancing our overall exposure online.

We continue to encourage architects to use the ARB logo to set themselves apart from unregulated providers of architectural services by highlighting their registered status, and downloads of the logo reached 3,623 by the end of 2017 - an increase of 29% from the previous year. Towards the end of the year we also launched a new online complaints tool for reporting evidence of misuse of title which will assist the public in raising their concerns with us.

## Withdrawal from the EU

In 2016 the people of the United Kingdom voted to leave the European Union (EU). The requirements of the Mutual Recognition of Professional Qualifications Directive, intended to facilitate the movement of appropriately qualified individuals within Europe, will remain in force until Government negotiations determine what arrangements will apply once the UK has left the EU. Throughout 2017 we refreshed the FAQs published on our website and continued to provide relevant and timely information to Government. We dedicated staff time to exploring post-Brexit scenarios, and will continue to follow matters closely over the coming year. Outside Europe, under the guidance of the Government, we are exploring the strategic appetite for developing Mutual Recognition Agreements with non EU-countries. The Board also held a development day to discuss amongst other things, Brexit and its potential ramifications for the work of ARB.

## Looking Forward

We continually seek to improve the systems we use to deliver our services and now use an enhanced email management system that can track emails and generate standardised responses to routine queries. This enables us to improve turnaround times and better understand the nature and flow of the emails we receive and send. Following improvements made in 2017, we now have a 99% satisfaction rate for ease of use of the online portal and registrant services section of the ARB website. Software developed to store and process passlists electronically is expected to be fully operational later in 2018.

2018 is also the year we will commission comprehensive research into our relationships with others. We strive to be open and accountable and welcome this opportunity to explore how ARB is viewed and gain insight into how we can improve our support of architects and protection of the public.



## Thank you

Finally we would like to thank our Board, staff team and all those that helped us deliver our statutory function including those appointed to support ARB work streams and those who ran our Examination, Prescription and Disciplinary processes in 2017. The dedication, skills and knowledge of those we work with are integral to ARB's continued effectiveness as regulator of the profession.

A handwritten signature in black ink, appearing to read 'Nabila Zulfiqar'.

Nabila Zulfiqar  
Chair

A handwritten signature in black ink, appearing to read 'Karen Holmes'.

Karen Holmes  
Registrar and Chief Executive

# About ARB



## ARB's Regulatory Role

We were established by the Architects Act 1997, which sets out our statutory remit, and regulate the architects' profession in the UK as well as act as the UK's competent authority for the profession in Europe.

We are funded in the main by an annual fee paid by architects to be on our Register but are also supported by other fees such as those from prospective architects in relation to their examinations or registration with us.

Our work ensures good standards are maintained for the benefit of the public and architects alike.

## Main Duties

Our primary purpose is to deliver the Architects Act 1997, which defines our main functions as:

- Maintaining a UK Register of Architects
- Setting the UK standards, qualifications and practical training required for entry to the Register
- Issuing a code setting out the standards of conduct and practice for architects
- Investigating complaints against the competence or conduct of architects
- Protecting the use of the title 'architect' against misuse
- Acting as the UK's Competent Authority for architects

## Key Objectives

Our Board has identified two key objectives which underpin all of our work:

- Protect the users and potential users of architects' services
- Support architects through regulation

## Priorities

With our remit, duties and objectives in mind, we formulate our priorities and currently work to our Statement of Priorities 2017-2020. In determining our work for the year ahead we take these priorities into account.

## Annual Business Plan

Our Annual Business Plan reflects our duties and objectives and moves forward the priorities identified by the Board. Our management team reviews the Plan on a monthly basis and reports on performance at various points in the year. An annual report showing our performance against the Business Plan is given at the first Board meeting after the year end.

More information about ARB and our regulatory role can be found on our website [www.arb.org.uk](http://www.arb.org.uk)

# Our Role: Communications

## Role Overview

Effective communication supports the other functions of ARB by helping increase understanding of our role with professionals and the public, raising awareness of the existence and benefits of the Register and establishing a strong network of stakeholders to support the delivery of our statutory duties.

## Local Authority Project

Informed consumers can be confident they are using a genuine professional and have awareness of the protection available to them if they engage a regulated professional. Our Local Authorities Project aimed to increase awareness of the Register of Architects and make it more accessible to domestic consumers by encouraging Local Authorities to link to the online Register from relevant pages of their websites, such as pages about planning permissions or building regulations. By the end of 2017, 103 new local authority links to the online Register had been created which in turn resulted in 624 searches of the Register.

## Welcome Pack

2017 saw the launch of our online Welcome Pack for those joining the Register for the first time. The Pack aims to help all new registrants to understand what it means to be an architect, both in terms of their new responsibilities as a professional person and what benefits it can bring. The user-friendly microsite includes sections on Registrant Services (an online tool for checking and amending registration details), working in Europe and overseas and the benefits of raising awareness of your status as an architect as well as links to other helpful organisations. We engaged with a range of stakeholders to develop the Pack and will be seeking feedback from users over the course of 2018.

## Online Complaint Tool

An online tool was added to the ARB website towards the end of 2017 to allow for evidence of misuse of the title 'architect' in business and practice to be more easily uploaded by third parties. The dedicated online form allows complainants to move between sections of required information and upload documents easily and confidentially. We will monitor the use of the tool across 2018 to ensure it is working effectively or make improvements as necessary.

## New Code of Conduct

Following public consultation, the new Architects Code: Standards of Professional Conduct and Practice was introduced at the beginning of 2017. It is featured on our website and was sent directly to all architects for whom we held an email address. It was also promoted through social media, leaflets, retention fee notices and our Ebulletin, and has been downloaded over 8,000 times since its launch.

## Stakeholders

Across 2017 we continued to engage with a range of stakeholders. Highlights include developing a constructive relationship with Which?, a not-for-profit charitable organisation that champions consumer causes. This led to information about ARB and the Register being published in the Which? Consumer Rights guide as well as Which? Conversation, a community website where the public can debate consumer issues that matter to them. We also secured a reference to ARB and our Local Authority project in the Planning Officers Society November Ebulletin. It was hoped that such an article would raise awareness of the project with Local Authority planning teams and encourage more links to be established, which in turn would increase our reach with the public.

Our Registrar and Chief Executive, Karen Holmes, was selected to be part of the Public Leaders Network editorial advisory board during 2017, having been nominated for the role by the then Chair of ARB. The position involved meeting four times a year with similar experts to discuss the issues that matter to public service and provide insight to the Guardian's relevant editorial team.

ARB also took part in an event organised by Professions Together (formerly the United Kingdom Inter-professional Group) which focussed on discussions about the Mutual Recognition of Professional Qualifications Directive. A wide range of regulatory and professional bodies attended and shared up to date information about their preparation for the UK's departure from the EU. Representatives from relevant Government Departments also fed into the discussions. This provided us with useful insights into the activities of others and we have since established an internal staff working group to carry out further scenario planning for the likely impacts of Brexit.

## Websites

Our websites provide functional and informational support to architects and the public. In light of feedback from users and changes in technology since the last redesign, our main website, [www.arb.org.uk](http://www.arb.org.uk), was entirely redeveloped and relaunched in 2017. The project sought to update the website's content, reduce duplication of information, improve its appearance and move it to a mobile-friendly platform. As part of the redevelopment, links that allow the sharing of content easily on social media were added to every page.

By the end of 2017 there had been:

- **274,981** sessions \* on the main ARB website down from 297,209 in 2016
- **310,000** sessions \* on the online Register of Architects, up by 9% from 2016
- **14.5%** more searches of the Register compared to 2016
- **29%** more downloads of the ARB logo (equivalent to 3,623 visits to the page) compared to 2016

\* A 'session' refers to a user's discrete interaction with a website

While the drop in sessions on the main ARB website is disappointing it may, in part, be due to a break in tracking while the new website was launched in April 2017. In addition there is evidence to suggest that the smaller, redesigned website now performs more efficiently – there are fewer individual page views but users are spending more time on the pages they view and our 'bounce rate' has dropped, suggesting users are exploring more pages as part of their sessions.



# Our Role: Communications

## Social Media

Our presence on Twitter, Facebook, LinkedIn and YouTube enables us to share timely information about our services in a variety of formats.

In 2017 we saw the following increases:

- Twitter followers **up by 17%** to 2,013
- Facebook likes **up by 16%** to 948
- LinkedIn followers **up by 14%** to 2,721
- YouTube video views **up to 36%** to 13,123

## Ebulletins

We publish our Ebulletin five times a year, usually following an ARB Board meeting. We aim to include information that is of relevance to architects and those interested in the role of ARB.

Looking at 2017 as a whole we experienced:

- An average of **12,211** unique openings of the Ebulletin email, an increase of 7% compared to 2016
- A combined total of **13,510** unique page views of our 2017 Ebulletin articles
- **3,326** unique page views of our most popular edition from February 2017
- **832** unique page views of our most popular article – a 'Dear Architect' item on Managing Expectations

## Annual Report

Every year we produce an Annual Report like this one to share information on our main activities and performance during the previous year.

The Annual Report for 2016 was:

- Published online in **July 2017**
- Received **2,174 visits** by the end of the year, an increase of 5% from 2015's report

**103**

new local authority links

**14.5%**

more searches of the Register

## Exhibitions

Attending exhibitions aimed at consumers planning domestic construction projects is a great way for ARB to raise awareness of the Register and what the regulation of architects means for the public.

In 2017 we:

- Attended **three** National Homebuilding and Renovating Shows in **Birmingham, Glasgow** and **London**
- Exhibited to approximately **69,505** visitors across all three shows
- Received an estimated **1,080** visitors to our stand across all three shows

We also undertook research into the best consumer shows for our team to attend going forward. We will be using this information to plan our future engagement.

## News Releases

News releases allow us to raise awareness of issues relevant to the regulation of the profession and highlight events and activities we think matter. They are posted on our website and circulated with members of the press.

In 2017 there were:

- **2,597** visits to the News Release landing page on arb.org.uk
- **22** news releases
- **2,781** unique views of the 2017 releases (combined)
- **382** unique views of the most popular release

Of all the news releases published in 2017, the most popular by year end was *Fraudulent attempt to register as an architect leads to conviction* which describes the conviction of an individual who submitted falsified documents while applying to sit ARB's prescribed examination. A subsequent news release detailing the sentencing of the individual was the third most popular release at year end.

## Feedback

In 2018 we will be commissioning comprehensive research into our stakeholder relationships to help us understand the views and needs of those we impact most and to inform strategic decision making in this area over the next three years.

# Our Role: Europe

28

new notifications reviewed

## Role Overview

ARB is the competent authority for architects in the UK. We ensure effective regulation of architects operating in more than one European Economic Area (EEA) and facilitate the requirements of the Mutual Recognition of Professional Qualifications Directive [2005/36/EC] (PQD) which enables appropriately qualified architects to work in different parts of Europe by providing freedom of movement.

## Stakeholders

On 23 June 2016 the EU referendum took place and the people of the United Kingdom voted to leave the EU. For the time being the UK remains a full member of the EU and all the rights and obligations of EU membership remain in force. Government negotiations will determine what arrangements apply in relation to EU legislation during the transition period and beyond.

We have been following matters closely and engaging with our stakeholder network to determine how the UK's exit from the EU might impact on our policies, procedures and stakeholders. We have online content dedicated to Brexit information and are committed to ensuring our stakeholders are informed and reassured as we navigate this challenge.

The Architects' Council of Europe (ACE) represents the interests of architects in Europe and is composed of 43 Member Organisations which are the national regulatory and professional representative bodies in the EU Member States, the accession countries, Switzerland and Norway. The European Network of Architects' Competent Authorities (ENACA) provides a forum for competent authorities with a view to improving cooperation, exchanging best practice and achieving consistency in the implementation of the PQD.

Through regular and continuous engagement with these bodies across 2017 we maintained effective relationships and contributed to these shared aims, including providing significant support to ACE's work to better understand accreditation processes across the EU and contributing to the development of pan-European guidance through ENACA. In November our Registrar and Chief Executive attended the ACE General Assembly which included updates on the PQD workgroup and the ongoing discussions about a European wide mutual recognition agreement with Canada.

## Notification of Qualifications

As part of our role we notify ARB-recognised qualifications to the European Commission so that individuals who are eligible for registration in the UK can benefit from the automatic recognition of their qualifications in other Member States. We also review the compliance of qualifications notified by other Member States.

In 2017, we:

- Reviewed **28** new notifications from **7** member states
- Met the two-month notification consultation period deadline **in all cases**
- Notified **3** new UK qualifications
- Held **6** European Notification meetings
- Inducted and briefed a new UK Expert in Architecture and a new Independent Adviser (European Notifications)
- Issued **169** qualification confirmation certificates, **148** were to confirm partial or full recognition under the PQD

# Our Role: Professional Standards

## Role Overview

ARB sets the standards of competence and conduct expected of architects and investigates those who may have fallen below those standards. We issue the Architects Code, provide advice to architects and their clients on matters of professional practice and impose penalties if an architect is found guilty of serious misconduct or incompetence.

We also regulate the use of the title 'architect' in the UK by encouraging potential users of an architect to check the Architects Register to ensure they are engaging a genuine professional and by taking enforcement action against unregistered individuals or practices who misuse the title.

## The Periodic Review

2017 saw the publication of the Government's Periodic Review of the regulation of architects. We requested legislative change to support our own regulatory modernisation and these reforms were supported by the Review. The Review included recommendations to change how cases are referred to the Professional Conduct Committee (PCC), and provide the power to issue reprimands without a requirement to have a disciplinary hearing. While we await the parliamentary opportunity for the Architects Act 1997 to be amended, we have begun our own review of how we handle investigations into the conduct and competence of architects. We launched a consultation in the summer of 2017 and the results of our review are expected to be published in May 2018.

## Reducing Serious Cases

Over the last five years we have embarked on an educational campaign to inform architects of the risks we see in their practice, and how they might best avoid falling into disputes with their clients. In 2017 we continued to publish a 'Dear Architect...' column for the profession to provide advice and guidance on professional conduct matters, and to deliver professional practice events to architect groups around the country.

## Investigations and Hearings

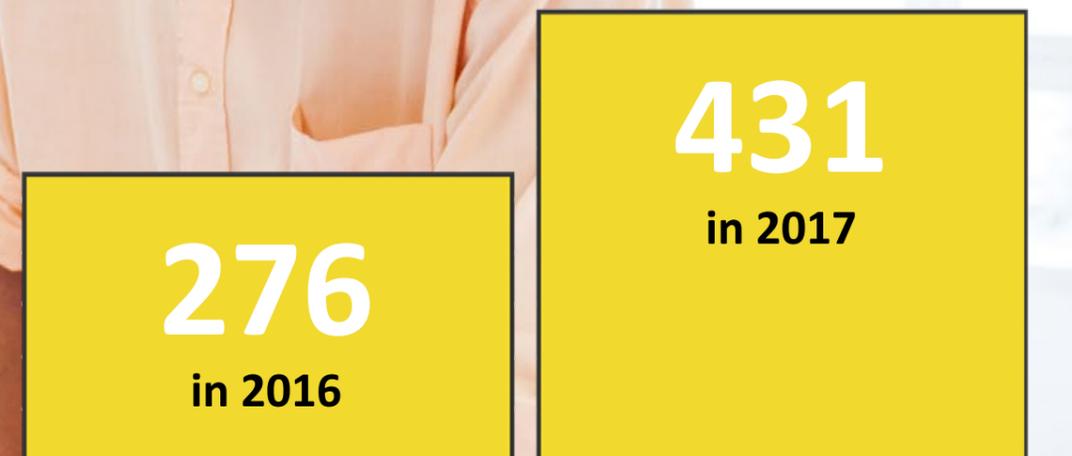
The Professional Standards department has Key Performance Indicators for each area of its investigations processes.

By the end of 2017:

- **84%** of investigations were dealt with at the review stage within the target deadline of 14 weeks
- **83%** of Investigation Panel decisions were issued within the 12 week deadline
- ARB's solicitors hit the 12-week target for preparing reports for the PCC **65%** of the time
- PCC hearings were scheduled within the 16-week target in **70%** of cases
- **62%** of cases which were considered at the PCC were concluded within a total of 52 weeks

Investigations into misuse of title rose from 276 in 2016 to 431 in 2017. Despite this significant increase in investigations, **96%** were completed within the 16-week deadline.

## Misuse of title investigations



## Feedback

We request feedback from architects and complainants involved in the complaints process. During 2018 we will review our feedback procedures to help ensure we receive quality data which can inform our ways of working in the future.

# Our Role: Qualifications

## Role Overview

We set the UK standard of entry to our Register of Architects by determining what UK qualifications and practical training experience individuals must hold in order to enter. We have Criteria that individuals must meet and Procedures for checking that the qualifications individuals hold meet these requirements. In addition our Board grants prescription (recognition) to qualifications in architecture and we monitor these qualifications to ensure standards in delivery are maintained.

## Liaison Visits

We offer liaison visits to all providers of prescribed qualifications across the UK. We deliver sessions to students undertaking these qualifications explaining ARB's role and what regulation means to help prepare them for being part of a regulated profession. We continued to have a strong uptake of our offers in 2017 and welcomed the opportunity to engage with students and institutions, to develop relationships and to help them understand the professional expectations for architects. Further information about the liaison visits conducted this year can be found in the Facts & Figures - Qualifications section of this report.

## Apprenticeships

In 2017 we supported the work of the Architecture Trailblazer Group by attending meetings and advising the group of ARB's requirements for prescription and registration. The apprenticeship schemes have been developed with the aim of enabling individuals to achieve qualifications which can be accepted for the purposes of registration making it important the framework aligns with ARB's requirements. It is anticipated that the Institute for Apprenticeships will approve the standards and end-point assessment documents in 2018, after which the first apprenticeship schemes will be developed and become operational in late 2018. In the year ahead we intend to develop guidance to support institutions seeking to offer prescribed qualifications within the apprenticeship framework.

13

new qualifications prescribed

38

renewed prescriptions

## Planning Meetings

We host planning meetings to support institutions considering applying for prescription for their courses. They are used to explain our prescription process and provide advice on making a submission.

In 2017, we:

- Took part in **14** planning discussions

## First Time Prescription of Qualifications

We operate an independent process to determine whether our Board can grant prescription to qualifications offered by universities and schools of architecture who submit applications for their qualifications.

By the end of 2017:

- **13** new qualifications from **9** institutions were prescribed
- **6** institutions with no history of offering prescribed qualifications made submissions
- The number of institutions delivering prescribed qualifications increased by **11%**

## Renewal of Prescriptions

Institutions offering prescribed qualifications can apply to renew prescriptions on a regular basis. Qualifications are usually prescribed for a period of four or five years but on occasion shorter or longer periods are requested.

During 2017, the Board:

- Renewed the prescription of **38** qualifications offered by **14** institutions

## Annual Monitoring Submissions

Prescribed qualifications are subject to an annual monitoring process to ensure students gaining the award continue to meet the required Criteria. A range of information must be viewed but we encourage institutions to submit material they have prepared for other purposes to avoid undue burden.

In 2017, we:

- Received and processed **40** annual monitoring submissions, involving **104** qualifications
- Took **4.5** weeks on average to process a submission

# Our Role: Qualifications

## Feedback

We collect feedback from the institutions applying to renew prescription on an annual basis. These valuable insights are then used to inform the development of prescription guidance materials. This year, ten institutions provided us with feedback on the process.

Comments included:

‘...the advice was timely and sound.’

‘It [the Good Practice Handbook] ... was found to be extremely useful. The good practice examples are very helpful.’

‘The ability to reference material held by ARB is very helpful in reducing time spent in preparation. Most of the documentation prepared involved updating an existing submission template.’

‘The Board paper is an excellent document that helps me brief my colleagues about the purpose and key parameters for the Board decision on prescription.’

‘Make it clearer what is required – it is easy to include too much information on the application.’

‘...it may be worth considering the need to update ‘good practice’ to reflect contemporary developments in the regulatory context.’

‘There was a lot of duplication engendered by the form ... there were many files that sat in more than one area.’

‘It is valuable to take stock and reflect on practices if for no other reason than to improve what you do.’

In regards to the constructive feedback we received:

- We will continue to update the Good Practice Handbook as needed over the next year, ahead of a more significant revision following the outcome of the Criteria and Procedures reviews
- We updated our planning meeting presentation so that it highlights the key documents the various application processes require
- ‘Information for Schools of Architecture’ is now clearly signposted on the homepage of our website
- We included more details, aligned with our Good Practice Handbook, on what we are looking for to enable institutions to identify documentation (including those which apply across multiple qualifications) more easily. Any changes arising from the review of our Procedures are likely to necessitate a review of the Application Form which will be a further opportunity to improve the form

# Our Role: Registration

## Role Overview

We maintain an accurate, up-to-date UK Register of Architects by processing applications and by ensuring those we register are appropriately qualified and their details are up to date. We also provide advice and support to those with queries about routes to registration.

In addition we administer the Prescribed Examination, giving individuals from all over the world the chance to access the Register by demonstrating their qualifications are equivalent to UK qualifications.

## Service Improvements

In 2017, we introduced a Welcome Pack to help newly registered architects understand their responsibilities as a registered professional and to signpost them to a number of useful organisations. We also acted on feedback to revise some of our website and online portal content to help prevent applicants making commonly identified mistakes while completing their applications, including adding FAQs and Best Practice ('Dos and Don'ts') content to our 'Before Examination' webpage. Over the course of the year we reviewed all of our procedures and staff guidelines for managing them to ensure consistently high standards in the quality of decision making and a positive experience for applicants.

As a result of these amendments, the number of applications by the UK and EU routes made online increased to 99% from 98% in 2016. We also reduced the average UK application processing time from 10 to seven working days, and the average EU application from 14 to 11 working days. We never underestimate the impact a prompt registration process can have on the individual applicant and will strive to improve further where we can.

## Funding Regulation

We are funded in the main by an annual 'retention' fee paid by architects to be part of a regulated profession and on the Architects Register for another year. In September 2016 the Board decided to hold the 2017 Retention fee at £107 and it has also been held at £107 for 2018.

The retention fee is due on 31 December each year. When prompting registrants to pay on time we aim to send enough useful cues without overwhelming recipients with too many reminders. We use a range of mediums to contact registrants including letters, emails, texts and social media posts. Social media is a medium where users can choose what information they receive and can be a particularly effective tool for reaching a large number of registrants without being intrusive. In the last month of 2017 our retention fee messages on Twitter were delivered to over 25,000 feeds. We believe reminders like these help encourage payments to be made on time, which increased to 97% of the Register (up from 96% in 2016), and reduce the number of registrants we have to remove for non-payment which decreased to 1,182 in 2017 (from 1,433 in 2016).

In line with our commitment to seek continuous improvement of our services, in 2017 we worked hard to establish lines of communication with larger architectural practices we knew had paid for their employees in the past to ensure they knew payment deadlines and had accounted for all of their employees. Changes were also made to the way we reconcile bank payments and cheques, leading to greater efficiency in this area, and our letters, texts and emails were revised to ensure that our messages were clear, but lighter in their tone.

## Equality and Diversity Data

We are committed to understanding how our work impacts those who use our services and improving our policies and procedures where appropriate to better meet their needs. We recognise the benefits to the profession and ARB as an organisation of drawing on a broader range of talent and believe following equality principles will result in better informed decision-making and policy outcomes. We began collecting equality and diversity (E&D) data from registrants in 2012 and new admissions to our Register are asked to answer equality and diversity questions. A review in February 2018 showed we held data for 52% of the Register, up from 47% of the Register in 2016.



25,000

Twitter feeds received our retention fee messages



# Our Role: Registration

## Europe

Our Registration team includes experienced members of staff with expertise in regulatory policy and UK and European Union law. Through them we participate in European forums and meetings with other regulators to share best practice, and are well placed to support ARB in ensuring we can deliver our statutory duties effectively when the impact of the UK leaving the European Union becomes clearer. In 2017, we attended the Architects' Council of Europe's Annual General Meeting and worked closely with our counterparts in the European Network of Architectural Competent Authorities to ensure a consistent understanding of the European Union law which underpins much of our work.



## The Register of Architects

We strive to ensure the Register is accurate and accessible as it allows architects to identify themselves as qualified professionals and enables potential users of architects' services to find an architect and check they are registered.

By the end of 2017:

- The Register of Architects had increased to **39,987**, up from 38,511 at the end of 2016
- The number of women making up the Register increased by **1%** from the previous year
- The Register was **73%** male and **27%** female
- New admissions dropped to **2,385** from 2,507 in 2016
- Those registering by obtaining UK qualifications was the highest ever at **1,440**
- New admissions were **43%** female and **57%** male
- Jan-Feb 2017 reinstatements were processed in less than **2** working days on average (down from 4 working days in 2016)
- There were **4,761** visits to the 'route finder' webpage

Feedback received in 2017 suggests those applying via the various routes to registration navigated the webpages with ease.

**43%**

of new admissions were female

**57%**

of new admissions were male

## Maintaining Up-to-Date Registered Addresses

To ensure the Register is accurate, architects are obliged to provide us with an up-to-date registered address. We take a variety of steps to support architects meeting this obligation, including contacting those for whom we have received returned post. We have found that architects with email addresses on their record are far less likely to be removed for non-payment of the retention fee than those without, so regularly reach out to individuals without email addresses to encourage them to provide one. We also use our Ebulletins and social media posts to remind architects to update their details. In addition, all those joining the Register now have access to the Welcome Pack mentioned above. We hope this will further assist architects in remembering to update their contact details and reduce the number of those removed under Section 11 of the Act in the long term.

In 2017, we:

- Contacted **355** architects whose ARB post had been returned to us
- Resolved **341** of these address issues
- Removed **14** individuals from the Register as required under Section 11 of the Architects Act 1997

## The Prescribed Examination

Our Board prescribes (recognises) the UK qualifications individuals must hold in order to enter the Architects Register. If an individual holds a non-EU qualification or a qualification not recognised in the UK they will need to pass the Examination for Equivalence Prescribed Qualifications (also known as the 'Prescribed Examination') at the relevant level to register as an architect in the UK. The Prescribed Examination is supported by examiners appointed by our Board. We aim to maintain a pool of around 35 examiners and up to six independent examiners.

During 2017 we:

- Recruited **14** new examiners to be integrated into their role in 2018
- Successfully integrated **17** new examiners (recruited in 2016) and **3** independent examiners without any disruption to the business or integrity of the examination process
- Delivered a training event involving almost **fifty** examiners and independent examiners

In recruiting examiners we made efforts to contact as wide and diverse a range of architects as we possibly could, advertising in a number of online and hard copy publications and through a range of social media groups. Live portfolios, donated for the day by past exam candidates, were used as part of the training event.

## Feedback

Online facilities enable applicants to access our services at a time and place which is convenient to them. Feedback about these facilities received from those joining the Register during the course of 2017 was very positive, with 97% of respondents being satisfied with the service overall (an increase of 4% since 2016) and 96% being satisfied with the speed in which their application was processed (an increase of 7% since 2016). Feedback from Prescribed Examination candidates during the course of 2017 also indicated the Criteria and Graduate Attributes information can be difficult to understand, this feedback will be considered by our Criteria Task and Finish group in 2018.

# Performance Report

## Report of Delivery of the 2017 Business Plan

The assessment uses the traffic light system to record whether ARB has delivered.

-  ARB has delivered the area of work in full
-  ARB delivered the majority of the item, or with partial success
-  ARB did not deliver the plan item or delivered it at an unacceptable level

Typically the management team monitors performance against the business plan at the mid-year and year-end points. This report covers the period from 1 January to 31 December 2017.

### Section A – Maintaining the Qualifications of Architects

**Under the Architects Act 1997, ARB maintains the UK Register of architects. The Register identifies those who are entitled to use the title “architect” in business and practice as they have met the requirements for qualifications and competence. The Register is the tool through which potential users of architects’ services can find an architect and check that an architect is registered. It is also important to architects that they are identified as qualified professionals. The Register must therefore be accurate and accessible. The work which underpins the maintenance of the Register is wide ranging. Digital by default.**

-  Improve the accuracy of the Register

#### Actions

- Further increase the use by registrants of online tools for updating details.
- Undertake an accuracy and quality review of the Register database.
- Implement email and telephone verification software across all self-service registration systems.

#### Measures of Success

- A lower number of requests from registrants to update details manually.
- A lower number of invalid email addresses added on the Register, resulting in a reduced number of undeliverable communications to registrants.

#### End of Year Assessment

- There has been a 3% drop in the proportion of requests from registrants to update details manually.
- There was a 90% reduction in the number of undeliverable emails indicating a lower number of invalid email addresses on the Register.
- eBulletins continue to contain registrants’ current contact details alongside requests for updated information.

- This continues to be an effective approach in encouraging self-service.
- We have added software to the database that highlights invalid email addresses added to the Registration database which prevents the input of invalid email addresses.
- Members of the registration team attended a fraud awareness training course to provide them with information and advice on how to identify inauthentic documents. This was to counter the threat of fraudulent documents being used in registration processes and was prompted by the receipt of forged documents in 2016.

-  Continue to enhance online registration system, including further development of internal office systems

#### Actions

- Continue to develop streamlined back office systems to support the online registration tool.
- Gather feedback from users and potential users of the system and make appropriate amendments to the system.
- Explore Plain English accreditation for the information provided in the system.

#### Measures of Success

- Enhanced back office system leading to shorter application processing times.
- An increased understanding of how users view and use the system. Improved user journey if enhancements are made supported by higher satisfaction levels.
- Positive feedback that our communication is easily understood and system instructions are easy to follow.

#### End of Year Assessment

- UK application average processing time cut by over 3 working days, and EU applications by 3 working days between 2016 and 2017. This is as a result of back-office improvements.
- Development of back office systems software for storing pass lists electronically, to aid data management and speed up processing. Legacy data is being uploaded with the software to become fully operational in 2018.
- A full review of the routes to Registration web pages and the online applications portal has been completed with the last few updates now being finalised. The changes have aimed to ensure consistent tone of voice, make language clearer and help reduce incomplete or incorrect Registration applications. We continue to review our web content on the basis of trends we establish and feedback we receive with a view to improving it on an ongoing basis.
- Feedback has been sought from those joining the Register. 99% of responders were satisfied with the online application tool and 98% satisfied with the speed of the process.
- It was agreed by the Board to defer the possible implementation of Plain English accreditation to 2018.
- All new registrants were provided with an online “Welcome to the Register” tool-kit which is now live. This will provide information about ARB, and sets out the expectations of a professional person. It also provides information on support offered by professional bodies and other relevant organisations.

-  Provide an efficient and effective service to all enquirers

#### Actions

- Develop a more robust system for handling incoming email, capable of providing management information.

# Performance Report

## Measures of Success

- Increased efficiency, a reduction in the number of days to respond to enquiries, alongside enhanced management information on performance.

## End of Year Assessment

- We have successfully piloted and started using an email management system, which will give us enhanced data on volumes, turnaround times and query types. We are also building in standardised responses to ensure consistency in tone of voice and cut the administrative burden of responding to routine queries.
- While we do not have comprehensive historical management information, a comparison of the average response times for a sample of email queries receive in 2016 shows an improvement in response time from 3 days on average to 1 day on average in 2017.

 Undertake a fundamental review of the routes to registration

## Actions

- Undertake a review to:
  - Explore whether current arrangements remain fit for purpose and reflect current best practice.
  - Explore whether registration should continue to be qualifications-based and any implications for change at an EU and international level.
  - Consider whether alternative routes to registration would be viable and would widen access to the Register whilst maintaining standards of competence.

## Measures of Success

- Tested the basis for ARB's requirements for registration and explored whether changes can be made in order to widen access to the Register, whilst continuing to provide public confidence in the competence of those on the Register.
- Considered whether alternative routes to registration are viable and continue to meet ARB's purpose and objectives and if so, have prepared a plan for the implementation of any alternative routes.
- Engaged with all stakeholders and kept them informed of progress as the review develops.
- Specific measures of success for key areas of the project scope will be identified and agreed as part of the sign off process for the project plan.

## End of Year Assessment

- The Periodic Review outcomes were published in late March 2017, which recommended that the Board should continue to pause its review of the UK routes to registration until the position regarding Brexit became clearer.
- After a series of discussions earlier in the year the Board, in July 2017, agreed to undertake business as usual reviews of the Criteria and Procedures for the Prescription of Qualifications rather than undertaking a review of the UK routes to registration. Since that point, and within the context of a business as usual review, we have carried out a pre-consultation exercise; we have recruited two Task and Finish Groups which have met to analyse the feedback gathered as part of the pre-consultation exercise and provided advice and recommendations to the Board in terms of the direction of travel for the next stages of the reviews. This has all been completed within the Board's ambitious timetable.
- Substantial efforts, across multiple teams, were put into gathering feedback from a wide and varied group of stakeholders. A pre-consultation survey was launched on our website and communicated to our stakeholders via the post September Board meeting e-bulletin as well as two dedicated e-blasts. Five roundtable events were held across the UK (Glasgow, Belfast, Cardiff, Nottingham and London) to gather feedback directly. Stakeholders such as SCHOSA, RIBA and APSA provided

standalone feedback whilst others such as the Health and Safety Executive and the Built Environment Professional Education project provided responses via the survey. The feedback gathering process was supported by a comprehensive social media strategy across all platforms.

- An open recruitment process, supported by social media and a dedicated webpage, was held in September/October to recruit and appoint suitably qualified individuals to the Criteria Task & Finish Group and the Procedures Task & Finish Group respectively. Each group has met once this year to analyse all feedback received from the pre-consultation and roundtable events and to provide recommendations to the Board on the way forward for each review.
- A dedicated webpage has been developed to inform stakeholders of the Board's objectives for each review and includes the Board's approved timeframe. Staff will update the webpage periodically.
- Key stakeholders, including the QAA, RIBA, SCHOSA and APSA have been and will continue to be kept up to date regarding the Board's current position.
- These reviews will continue into 2018 as planned.

## Section B – Maintaining the Qualifications of Architects

**Under the Architects Act 1997, ARB prescribes (or recognises) the qualifications required to become an architect for those who gain their qualifications within the UK. We also contribute to the scrutiny and review of those qualifications that are obtained in another part of the European Economic Area, and which seek to be listed at a European level. We therefore maintain systems for assessing qualifications against set Criteria. These Criteria are held in common with the Royal Institute of British Architects and the Quality Assurance Agency benchmark for architectural qualifications. The UK Criteria also reflect the minimum requirements across the EEA. We work closely with many other organisations and Member States to ensure that our systems are robust, fair and efficient and provide support to Schools and Institutions of Architecture, whilst ensuring that as a regulatory body, we have confidence that prescribed qualifications meet the Board's objectives and Criteria.**

 To have improved engagement with institutions, students and other stakeholders regarding the prescription process and Criteria to inform, to obtain feedback and to promote an understanding of ARB's role with regard to qualifications, and to maintain a high quality service for institutions, students and EU Member states

## Actions

- To improve the promotion of the availability of the following services and to meet all reasonable requests for:
  - feedback sessions;
  - planning meetings;
  - university liaison sessions;
  - regular engagement sessions with and liaison meetings with stakeholders;
  - speaking at relevant conferences/ forums;
- Providing support for those seeking to list qualifications in Europe.
- To improve and develop areas of ARB's website relating to prescribed qualifications/the student handbook as well as keeping them up to date.

## Measures of Success

- Good relationships with key stakeholders are maintained and developed, as exhibited by individual and collective feedback.
- Stakeholders believe ARB adds value over and above performance on the prescription function, as evidenced by collective and individual feedback.
- ARB is kept well informed of possible future developments in order to plan its work and respond to developments.

# Performance Report

## End of Year Assessment

- By the end of the year, we will have undertaken 57 University liaison sessions. To inform our stakeholders about our work in this area we have posted social media messages alerting our audiences about upcoming university liaison visits as well as posting images of other events attended by the prescription team.
- We contacted institutions at the beginning of the 2017/2018 academic year to promote the liaison programme and invite new institutions to take part.
- We have reviewed and updated the content of the liaison sessions in preparation for the 2017/2018 academic year.
- We have continued to gather feedback from both students and PSAs for visits, all of which has been positive.
- Work has started on updating the Student Handbook and creating a new microsite. This should be completed in the early part of 2018.
- We have reviewed and improved our planning meeting slides to provide more detailed information on the prescription process, including the documentation which institutions may wish to provide. We have used the amended slides to get across key messages such as University liaison sessions and the use of ARB's logo to provide information for students. We are developing plans to meet with new heads of schools to help them understand the Board's requirements in terms of prescription and the standard conditions of prescription.
- We have held planning meetings with five institutions who are seeking prescription for new qualifications, and a further seven planning meetings with institutions who are seeking to renew prescription as part of the 2017/2018 prescription cycle.
- We have held regular liaison meetings and have communicated with SCHOSA throughout the year, providing updates about ARB's work, including the business as usual reviews of the Criteria and Procedures. We attended and gave a presentation at SCHOSA's Summer meeting about the aspects of our work that were relevant to the schools.
- We have liaised regularly with APSA through telephone conferences to discuss matters of mutual interest and we attended and spoke at APSA Spring and Autumn meetings, providing updates about our work and upcoming projects. Feedback from APSA has confirmed that our contributions and updates have been well received throughout the year.
- We have attended meetings and advised the employer-led Trailblazer group developing the Architectural Assistant and an Architect apprenticeship. We have responded to all relevant consultations in relation to the development of the standards and end point assessments.
- Improvements have been made to the areas of the website which relate to qualifications as part of the development of the new website including the map of ARB Prescribed qualifications.
- We continue to scan the horizon for Higher Education (HE) related matters, which may impact on our work and role. We continue to attend QAA PSRB forums, as well as topical sessions run by Professions Together. We also attended the 2017 Higher Education Conference held in October 2017. We invited the QAA and WonkHE to speak to the Prescription Committee in relation to developments in HE (HE Act, Brexit, Office for Students, External Examiner training etc.). We are operating in a fast moving, complex environment and at times it has been difficult to keep pace, particularly when periods of core work need to take priority.
- The eBulletin contains regular articles regarding prescription matters with the prescription stories in the four eBulletins so far this year receiving a combined total of just over 1,500 views.

 On behalf of the UK and its capacity as the UK's Competent Authority for Architects, embed the revised notification process within ARB's procedures, and scrutinise and review European qualifications which are notified to the European Commission for listing under the PQD

## Actions

- Continue to embed the European Commission's revised process for the notification of qualifications within ARB's procedures.
- Ensure that the European Commission's deadlines for considering notifications are met on every occasion.

## Measures of Success

- ARB will have reviewed 100% of European notifications within the European Commission's deadlines, and complied with the requirements in this area.
- ARB will have dealt with all UK notifications within the European Commission's deadlines, and complied with the requirements in this area.

## End of Year Assessment

- We have notified three newly prescribed UK qualifications to the European Commission this year. One notification generated several queries from our German and Danish colleagues and feedback was provided within the agreed time frames, the other two were approved without question. Feedback will be sought from the relevant institutions and any suggested improvements will be considered. A planning meeting was held in July and we are currently working with that institution to submit its notification to the European Commission by late November. A further two notifications will be prepared in early 2018.
- We have made adjustments and improvements to the way we prepare our UK notifications for submission to the European Commission and have streamlined the way in which we consider European notifications.
- A number of award title changes are being prepared for notification following approval of title changes by the Board and an internal audit of what is listed in Schedule 1 of the General Rules versus what is listed in Annex V of the Qualifications Directive. These will be progressed in 2018.
- Twenty seven European notifications have been received this year, which is less than previous years. We sought clarifications and further information about 42% of these. Six European Notifications meetings have been held across the year. 100% of the European notifications have been reviewed within the European Commission's deadlines to date, and complied with the review requirements in this area.
- An open recruitment process was held to appoint a new Independent Adviser (European Notifications) to assist the UK Expert in Architecture with the task of reviewing EU notifications and scrutinising UK notification prior to submission to the Commission. An induction programme was drafted and carried out in October 2017.
- We have been contributing to the development of pan-European guidance through the European Network of Architects Competent Authorities (ENACA). The guidance relates to the notification of qualifications under the 4+2 model and to the structure and content of qualifications under the revised Directive. The first two '4+2' qualifications from Germany were approved for listing in Annex V. We are also contributing to an ENACA working group to discuss Member States' concerns in relation to the issues surrounding the outdated guidance underpinning the PQD, particularly in relation to specialisation/dual qualifications and the '80/20 rule' or guidance referring to principally in architecture. We continue to work closely with our European colleagues, attending key meetings and forums, particularly with regard to the establishment of new EU Directives.

## Section C – Maintaining the Standards of Conduct and Practice of Architects

**Users and potential users of architects' services need to have confidence in the standards set by us under the Architect's Code of Conduct and Practice, and that we take appropriate action where architects fall below the standards expected. We will seek to raise awareness of the Code and how clients may use the Code to help them in their relationship with their architect, as well as raising awareness and understanding of the Code by architects themselves. We will investigate allegations of unacceptable professional conduct and serious professional incompetence but will also seek to mitigate the risk of such situations arising.**

# Performance Report

 Ensure efficient processes which are fair to all in all aspects of complaints handling

## Actions

- Review and improve all literature guidance to ensure they remain compliant with Best Practice.
- Integrate online complaints tool with ARB's internal investigations portal.
- Develop and increase the use of online feedback.

## Measures of Success

- All external facing guidance and literature is reviewed and updated as appropriate.
- Feedback is reported in an appropriate way, and demonstrable action taken in light of it where appropriate.

## End of Year Assessment

- Guidance has been constantly reviewed throughout the year to ensure compliance with feedback, best practice and case law; it has been amended as necessary, and will be reviewed again comprehensively following the conclusion of the section 14 review.
- A Tone of Voice Review was undertaken in relation to ARB's general correspondence, in conjunction with a group of key stakeholders [1]. Results of the review will include an ARB style guide, a redraft of templated letters, and updated guidance. Results will be reported to the Board.
- A wholesale review of guidance at all stages of the investigation process is taking place as part of the section 14 review. The Review is due to run into next year and changes will be completed by the end of 2018.
- Acquiring good quality feedback continues to be a challenge, inasmuch as separating views on the process from views on the result. Further on-line responses have been developed, and ideas for improvement into this area will continue into 2018.

[1] Architects Benevolent Society, the General Medical Council, the Royal College of Veterinary Surgeons and the Chartered Institute of Personnel Development

 Ensure the investigations process is running smoothly and offers a fair process to all

## Actions

- Ensure that the Investigations Panel and Professional Conduct Committee are adequately resourced and trained in best practice.
- The Investigations Oversight Committee is provided with appropriate information and maintains strategic overview of ARB's investigation processes.
- Outdated Professional Standards database and IT system are replaced by a fit for purpose system.

## Measures of Success

- 80% of Investigations Panel decisions are reached within 12 weeks.
- 80% of Third Party Reviews find no further action to be taken.
- No findings of 'no case to answer' at the PCC or adverse findings by Judicial Review.
- No successful appeals against PCC decisions.
- A fully operational and paperless IT system for investigations is put in place.

## End of Year Assessment

- The membership of the Investigations Pool has been refreshed and extended; in excess of 83% of decisions are being reached within the 12 week target.
- 84% of Third Party Reviews have resulted in no further action to be taken.
- There has been one finding of no-case to answer at the PCC. There have been no successful judicial reviews or statutory appeals against any decision by ARB.
- The Investigations Pool and Professional Conduct Committee were trained regularly (e.g. in unconscious bias, seriousness, the planning process, case law).
- The paperless investigations IT system has been initially piloted, but then removed from the process pending further software testing. That testing continues, but the objective was not delivered by year end.

 Review how ARB delivers its statutory obligations under section 14 to investigate allegations of unacceptable professional conduct and serious professional incompetence

## Actions

- Seek views from all stakeholders as to how ARB's disciplinary regime might be improved.
- Draft new rules and acquire Board approval for changes where appropriate.
- Undertake three month formal consultation on proposed changes.
- Publish new rules; provide training as necessary to those who deliver a service on behalf of ARB.
- Ensure that guidance and standard correspondence is updated to reflect changes to procedures.

## Measures of Success

- New Investigations & Professional Conduct Committee Rules are consulted on and published to come into effect by 1 January 2018.

## End of Year Assessment

- The Section 14 review commenced in June following the outcome of the Periodic Review. A revised target was agreed of the end of 2018.
- A pre-consultation process was conducted which was publicised in our eBulletin, on our website and via social media messages. The IOC has been kept updated on the progress of the Review, which remains on course for completion in 2018.

 Appoint new Investigations Pool members

## Actions

- Undertake an open and fair recruitment exercise to appoint architect and lay members of the Investigations Pool.
- Ensure that the appointments process adequately fulfils the skills balance required on the Pool.
- Provide induction and training to new members as appropriate.

## Measures of Success

- The Investigations Pool has sufficiently skilled membership to fulfil its duties.
- The Investigations Pool continues to work effectively and seamlessly throughout the transitional period.

# Performance Report

## End of Year Assessment

- New IP members were recruited and trained; seamless working throughout the transition period with no lasting detrimental impact on performance.

## Section D – Raising Public Awareness of the Register and Helping Users and Potential Users of Architects' Services to Make Informed Choices

We recognise that it is not sufficient simply to hold an accurate Register. To be of value, the Register must be accessible, and users and potential users of architects' services must understand the distinction of the title "architect" and the importance of the Register in confirming an architect's registered status. We therefore work to increase awareness of the Register, to inform the public about the qualifications and competence of architects and to alert members of the public to the Architects Code of Conduct and Practice. We also work to prevent the misuse of the title "architect" which may only be used by those on the Register.

Raise public awareness of the standards expected of architects

## Actions

- Ensure that the Code is embedded within all of the key communication documents published by ARB.
- Publish articles throughout the year highlighting the benefits of using a registered professional.
- Establish an internal task and finish group to explore ways in which public awareness can be raised, including establishing links with other organisations; reviewing the material we publish; our attendance at consumer shows; and how our impact and reach in this area can be maximised.

## Measures of Success

- Evidence that promotion of the Code will have been considered in conjunction with all publications and communications. For web based communications, details about the number of clicks and views will be recorded.
- Internal task and finish group to have developed and carried out action plan for raising public awareness of professional standards and developing links with relevant organisations.
- Engagement strategy for consumer shows to have been developed.

## End of Year Assessment

- The new Code of Conduct came into force at the beginning of 2017, and sent to all architects on the Register for whom we hold email addresses (>97%). It was downloaded some 8,000 times. Social media, leaflets, retention fee notices, the eBulletin and CPD sessions around the country have been used to promote it.
- An internal task and finish group of staff was established to formulate fresh proposals as to how public awareness of the Register can be increased.
- We exhibited at three Homebuilding and Renovating Shows in 2017: Birmingham, Glasgow and London. We also benefitted from a Board Member sharing information about ARB at the 2017 Festival of Architecture in Norwich & Norfolk.
- Following a review, feedback was sought from consumers at these shows about the exhibit and the Register with a working group formed to review comments and discuss improvement opportunities.
- We have undertaken research as to the best consumer shows to attend to maximise our message, and will be using that information to plan future engagement.

Uphold the value of the Register by increasing its use

## Actions

- Continue to increase awareness of the Register through online platforms.
- Develop a strategic communications plan to keep the Register topical and in the public arena.
- Develop relationships/partnerships with relevant organisations/groups to raise awareness of the Register through advocacy.
- Review the misuse of the Board's Title policy and approach.
- Raise awareness of the purpose of prosecutions so that potential offenders are deterred and the public is informed.
- Use all legal options available to deal with serious/repeat misusers of the title of architect.

## Measures of Success

- Social media referrals to the Register increased by 10%.
- The number of Register searches increased by 5%.
- Visits to the Register increased by 5%.
- All prosecutions launched done so in adherence with a consistent policy and concluded successfully.

## End of Year Assessment

- Social media referrals to the website remain constant in 2017 at just over 600.
- Searches of the Register were up by 14.5%.
- Visits to the online Register were up by 9%.
- New website launched with links to share content on social media embedded on each page.
- All prosecutions launched have done so in adherence with a consistent policy and concluded successfully.
- A Local Authorities Project was initiated to raise awareness of the Register. 103 Local Authorities now have a link to the Register of Architects on their planning pages. This has resulted in a significant increase in web traffic to the Register from .gov sites, and particularly those which deal with planning permissions or building regulations.
- An online reporting tool was added to the ARB website to allow for evidence of misuse of title to be easily uploaded by third-parties for investigation.
- A substantive review of ARB's misuse of title policy will be brought for Board consideration in 2018.

Encourage architects to promote their registered status to increase awareness and value of the Register

## Actions

- Explain to registrants the value of referring to their registered status.
- Expand the Registrant's services secure area so that architects can have access to their details and embedded logo information in an attempt to further enhance public awareness of the register.
- Increase links to the ARB Register via websites.
- Establish an internal task and finish group to review registrants' services and registrants' pages on the website.
- Introduce an electronic 'welcome pack' for new registrants.

## Measures of Success

- Downloads of ARB logo from website increased by 10%.
- External links to the online Register increased by 10%.

# Performance Report

- Internal task and finish group to have reviewed this area and progressed action points.
- Improved understanding amongst architects of UK Regulatory requirements.
- Demonstrable increase in the understanding of the role of ARB and the regulatory landscape, along with information on UK context for those who did not qualify in the UK.

## End of Year Assessment

- Downloads of the ARB logo increased by 29%. This has been helped by work undertaken by the internal cross-team task and finish group working to encourage architects to raise awareness of their registered status, and by the redesigned logo. A new email footer has also been developed to encourage architects in this area.
- External links to the online Register increased by 21%
- The electronic welcome pack was launched in November. This contains a whole section informing architects on how they can promote their registered status, including where they can download the logo, how they can link to their personal page on the Register as well as the importance of using their registered name and registration number. The pack also includes information on their new responsibilities as a professional person; and where they can seek support. We will be seeking future feedback on the pack.

## Section E – Corporate Functions

### Continue to embed the requirement of the revised Professional Qualifications Directive (PQD)

#### Actions

- Continue to consider the outcome of the PQD legislative changes and determine whether any further changes may need to be made to appropriate ARB policies, requirements and documents.
- Take legal advice and advice from MHCLG and BEIS where necessary.
- Analyse and cost any necessary system changes for 2018 budget.
- Engage in discussions with stakeholders and ensure understanding of the changes.
- Ensure information is readily available.

#### Measures of Success

- Stakeholders are fully aware of the implications of the changes.
- ARB makes any relevant adjustments to its policies, requirements and documents so that they continue to remain compliant with the revised Directive.

#### End of Year Assessment

- The revised European Notification process is now embedded in and is operating effectively. We have inducted and briefed a new UK Expert in Architecture and a new Independent Adviser (European Notifications) to assist in the consideration of European notifications/the preparation of UK notifications to the European Commission.
- We have been involved in the development of guidance to support the revised Directive; we have been a key player in drafting guidance to assist member states with the notification of qualifications under the 4+2 model and in relation to the structure and content of qualifications being notified under the new models outlined in the Directive. We have developed guidance in relation to this area and we have informed key stakeholders of the position. The viability of the 4+2 model will be looked at as part of the Board's review of the UK routes to registration (which is currently on hold). We will be contributing to a working group which will review the outdated guidance that underpins the Professional Qualifications Directive.
- We have continued to make information available to stakeholders as outlined above.

### Engage with the EC's review of the Professional Qualifications Directive

#### Actions

- Continue to attend and engage with our European Stakeholders, e.g. ACE; ENACA
- Continue to liaise with Government departments, e.g., MHCLG and BEIS
- Consider the implications of any potential changes to the Directive
- Ensure information is readily available to stakeholders

#### Measures of Success

- ARB is fully aware of the likely scale and timings of the review.
- Stakeholders are aware of the review; any potential changes and the implications of these.
- Staff will have continued to participate in key ACE/ENACA meetings/discussions.

#### End of Year Assessment

- The latest information suggested that the European Commission will not be reviewing the Directive until 2020 at the earliest. We are continuing to monitor this area through our attendance and involvement at relevant meetings held by the Architects Council of Europe, the European Network of Architects Competent Authorities and in liaison with government departments.

### Managing risk

#### Actions

- Audit Committee regularly reports to Board.
- Internal audit function appropriately resourced and monitored.
- Maintain reporting cycle of risk register and risk strategy from staff to Board level.
- Monitor delivery against performance indicators (bi-annual), the Business Plan (annual), ARB's purpose and objectives (annual).
- Ensure adequate reserves are maintained through review of reserves policy and maintenance of the policy minimum.
- Effective reviews of policies to be considered in 2017.
- Monitor the outcome of legal challenges for areas of improvement and trends, particularly where there may be a financial or reputational risk.
- Consider implications and risk of any changes as consequence of the Periodic Review.
- Continue to develop awareness amongst the staff team of the risks which could impact on ARB's work internally.

#### Measures of Success

- Information provided to the Board on performance and risk is considered to be at the right level and provides an appropriate level of assurance.
- Internal audit continues to be robust and add value, as assessed by the Audit Committee and the management team.
- Emerging and live risks are sufficiently mitigated by the actions in place, or the level of risk is accepted as being within the Board's risk tolerance level.
- Level of reserves maintained provides appropriate reassurance to Board, Government and key stakeholders.
- Relevant policies are reviewed within expected time frame.

# Performance Report

- Risks will have been adjusted on basis of the analysis of trend information and improvements.
- All members of staff will continue to have an understanding of the risks which could impact on ARB's work.

## End of Year Assessment

- The work of the Audit Committee has been reported to the Board through its minutes of February, May and July.
- An internal audit plan was delivered on time and on budget.
- We undertook a review of risk management, delivered a new risk register and risk assurance mapping exercise. Dissemination of information on internal and external risks to the organisation through email and meetings. All staff information security training provided.
- The risk profile is reported to the Board at each meeting. Risk surrounding the Periodic Review recommendations has been discussed by the Board.
- The Audit Committee reviewed the reserves policy at its June meeting; the Board agreed to keep the existing policy in September 2017.
- Reports of mid-year delivery against the Business Plan and of key statistics for the first half of 2017 were brought to the July Board.
- Adequate reserves have been maintained to meet MHCLG requirements and Board policy.
- The Investigations Oversight Committee and Board were kept updated on any legal challenges.
- Risk addressed at staff and team meetings; a Challenge Ambassador working group established to risk assess the work of other departments.
- A program of policy reviews are in place with progress reported to the Board.

 Maintain adequate and appropriately skilled staffing levels that are utilised effectively

## Actions

- Ensure sufficient staff resources are maintained to deliver statutory functions and the 2017 Business Plan in line with the Board's priorities.
- Maintain staff development budget and encourage flexible working, and interaction with outside organisations to further enhance knowledge, skills and engagement.
- Continue to cultivate an environment that supports engagement and encourages team members to reach their full potential.
- Ensure that pay and reward is competitive and attracts and retains high calibre staff.
- Continue to build on ARB's people strategy and key succession planning policy
- Introduce online expenses system
- Replace Human Resources Software.

## Measures of Success

- Maintain adequate staffing levels in 2017.
- Evidence of increased flexible working across the organisation to deliver statutory functions.
- A committed and engaged staff resource (Annual Engagement survey).

## End of Year Assessment

- Staff levels were maintained during 2017, with increased staffing requested in July 2017.
- Each member of the team identified training and development opportunities. All staff training took place on Equality & Diversity, security in the workplace, well-being, and fire safety.
- Cross-team working groups have delivered projects on promoting the Register, challenging existing procedures, encouraging architects to download the ARB logo, internal communications, and making the collection of the retention

fee more effective.

- The annual staff engagement survey is carried out in December each year; 2017's survey will be in February 2018 to allow for the new appraisal scheme to be embedded. The outcomes 2016 staff engagement survey were positive, and reported to the Remuneration Committee, at its July 2017 meeting with no areas of concern identified. There was also positive staff engagement with the development of the new appraisal scheme which came into force in November 2017.
- A pay benchmark survey was undertaken and reported to the Remuneration Committee at its December meeting.
- All members of the OMG have undertaken coaching so as to improve their skills in developing talent and enhancing performance within the organisation.
- New Human Resource and Expense systems have been secured, and will be put in place in 2018.

 Deliver the recommendations resulting from the Periodic Review and maintain Government and Stakeholder confidence

## Actions

- Respond to outcome of review and develop an implementation plan, if appropriate.
- Ensure there are sufficient resources in place, to deliver relevant outcomes.

## Measures of Success

- Statutory functions delivered efficiently and effectively, alongside any requirement for the organisation to change.
- Successful development of an Operational Plan once the outcomes of the Review are known. Stakeholder satisfaction with ARB's communications around the Periodic Review.
- Continue to place updates about the Periodic Review into the public domain.

## End of Year Assessment

- The outcomes of the Periodic Review were published in late March 2017.
- We developed, in conjunction with the MHCLG, plans and timeframes for the delivery of the recommendations, which are now underway and will continue into 2018. All of ARB's responsibilities are on track for delivery.
- The Board has continued to engage with the process throughout the year to date, including providing feedback on the revised constitution of the future Board.
- Press releases were issued following the publication of the Review and updates provided at the open sessions of Board meetings.
- Regular updates regarding the Periodic Review are also included in the eBulletins which are circulated to registrants following Board meetings. We also have FAQs on the ARB website which are reviewed and updated where necessary on a regular basis.

 Efficient financial management

## Actions

- Clear budget setting process agreed and understood by Board.
- Regular monitoring of outcomes against budget, along with forward planning, horizon scanning and early warning alert mechanism of variances to the Board.
- Prompt notification of fees.
- Alignment of budget to Business Plan, including capital expenditure projects.
- Provide 3 year forecasts to capture longer term financial obligations.

# Performance Report

- Develop a property strategy.
- Annually Review the Board's Investment Strategy and the of the Investment and Management arrangement.

## Measures of Success

- Deliver ARB's work as set out in the 2017 Business Plan within budget.
- To deliver the 2017 fee process efficiently, with clear and timely communication, with registrants who are aware of the fee cut-off date, resulting in a lower number of registrants being removed for non-payment than in 2016.
- An informed Board, which is provided information in a concise way, enabling them to govern the organisation effectively.
- To have in place a project plan for reviewing ARB's premises options and an agreed investment strategy.

## End of Year Assessment

- Budget forecasts were provided at each Board meeting, advising of additional income that was anticipated by the year end.
- The 2018 Board budget briefing session was held and the budget agreed in September 2017, having considered the longer term obligations of the organisation.
- The fee collection ran smoothly with a lower number of initial removals for non-payment than in 2016, despite a bigger Register.
- The Board reviewed and revised its Investment Strategy in November 2017.
- We have now instructed BNP Paribas to commence the property strategy work.

## Compliance with legal obligations

### Actions

- Health and safety.
- Employment requirements.
- Data handling.
- PAYE.

### Measures of Success

- No adverse health and safety incidents taking place during 2017.
- Implement any required change to procedures and processes as required

### End of Year Assessment

- There were no breaches of our legal obligations in 2017.
- We undertook a full premises and personal safety security review, with recommendations being progressed.

## IT strategy

### Actions

- Keep under regular review the strategic IT development plan, maximising digital and self-service opportunities.
- Understand the ongoing needs and vision for the organisation, including a strategy on continuous improvement and efficiency savings through the use of technology.

- Increase the use of the organisation's website and online tools.
- Explore the possibilities and implications involved in moving ARB's Board and Committee papers on-line.

## Measures of Success

- Internal and external systems remain stable with no down time.
- External systems remain accessible and fit for purpose, and responsive to any feedback received.
- The IT strategy continues to support the objectives of the organisation and deliver efficiencies. Increased number of visits to the website and use of online tools such as the online application portal.
- The pros and cons involved in moving the Board and its Committees' papers on-line will have been fully explored.

## End of Year Assessment

- Internal and external systems remained stable with no down time.
- We kept the IT development plan under review, particularly in relation to the Investigations Portal, email management development and the redeveloped website. Significant back-office integration continued with investment in document management systems.
- The ARB website was redesigned and relaunched. There was a 7% drop in the number of visitors, but an increase in visitor engagement.
- The possibility of moving to paperless Board meetings will be continue to be explored. A paperless meeting system, possibly suitable for Board and Committee meetings, was successfully trialled by the Operational Management Group. Further investigation into any pros and cons, along with any further IT requirements will be carried out in early 2018.

## Explore and take up opportunities to work with stakeholders and partners to deliver ARB's objectives

### Actions

- Actively seek opportunities for working with a wider range of stakeholders.
- Build partnerships with others to influence the regulation of architects to protect consumers.

### Measures of Success

- Demonstrable evidence of broader working relationships with Stakeholders and Partners from the built environment, consumer and regulatory sectors.

### End of Year Assessment

- We have reviewed our stakeholder register to ensure that we are reaching appropriate stakeholders in our communications.
- A constructive working relationship with Which? was built resulting in published information about ARB and the Register of Architects in its advice guide.
- We have also developed working relationships with online directories and shared data where it is in the public interest.
- The HomeOwners Alliance has contacted us for input on communications matters, and meetings planned with the Trading Standards Institute and TrustMark.
- Presentations have been given to the Professional Associations Research Network; RIAS; and the Glasgow Institute of Architects on professional standards.
- We met with several other Regulators and Professional Bodies to learn from their experiences with assisting Trailblazer groups in the established of employer-led apprenticeships including the Chartered Institute of Building, Nursing and Midwifery Council and Chartered Institute of Architectural Technologists.
- We have attended relevant meetings organised by Professions Together including a session on the potential implications of

# Performance Report

- Brexit on regulatory and professional bodies.
- We have met with RIBA to discuss a mutual approach to raising awareness of the title architect.

 Respond to, and advise on European legislation that affects the regulation of architects

## Actions

- Monitor EU legislation in terms of ARB's objectives / statutory functions.
- Consumer Directive
- ADR Directive
- Data protection
- Services Directive
- Implement a communications plan to ensure architects are informed.

## Measures of Success

- ARB will have responded to relevant consultations as appropriate.
- Staff will be aware of relevant developments, report these to the Board, ensure they are taken into account when taking strategic decisions and, where appropriate, communicated to architects.

## End of Year Assessment

- We have published FAQs on Brexit which are aimed at students/potential and existing registrants.
- We have continued to monitor the position and liaise with the MHCLG on the impact of Member States' National Action Plan and three new European Directives (Services E Card; Proportionality; Notifications Directives) currently being discussed by the Commission, Council and Parliament.

 To continue to improve governance arrangements within the organisation and ensure that they are aligned with best practice

## Actions

- Undertake a Board and Committee effectiveness review, and implement any actions from the previous year's review.
- Ensure the Board has sufficient, evidence based, timely information, on which to make informed decisions.
- Be alert to best practice in the arena of governance and recommendations on how to continually improve.
- Ensure Board membership continues to comply with the requirements of the Act; induct new Board members as appropriate.
- Conclude the review of the ARB/MHCLG Framework Agreement.
- Conclude the review of the Board's Code of Practice.
- Review the Board appraisal process
- Review the Board's General Rules.

## Measures of Success

- Outcomes of effectiveness reviews will be actioned and taken forward as appropriate.
- A revised ARB/MHCLG Framework Agreement will have been published.
- A revised version of the Board's Code of Conduct will have been included in the Board Handbook.
- The Board's appraisal process will have been reviewed and any revisions rolled out.

- A review of the Board's General Rules will have been undertaken with a view to publishing an updated set of Rules in 2018.
- Governance arrangements will be kept up to date, reviewed where appropriate, and adjusted to meet best practice.

## End of Year Assessment

- A Board and Committee Effectiveness Review was undertaken in late 2016; the results were discussed by the Board and relevant actions were being taken forward by the Board, staff and committees.
- A review of the Board's Code of Conduct has been completed and a revised Code has been agreed and included in the Board's Handbook.
- We have met with other regulators to benchmark our approach to governance and to share good practice.
- We have joined the newly established Regulators' Innovation Hub.
- Three newly appointed Board members have undertaken a thorough induction programme.
- We have agreed to review the Framework Agreement once relevant outcomes of the Periodic Review have been addressed.
- Given the outcomes of the Periodic Review and on the basis that a newly constituted Board will be in place in 2018, we will undertake a review of the appraisal process in mid-late 2018.
- A review of the General Rules has been commenced and will be carried out so that it will align to the adjustments being made to the Act.
- The work of other regulators in relation to best practice in the area of governance is monitored and relevant eBulletins and updates are noted by OMG.

 Continue to review, develop and implement our equality and diversity action plan

## Actions

- Review and amend the plan as required taking into consideration best practice in this area including moving to an inclusion policy.
- Collect and analyse Equality and Diversity data, and utilise the information to influence policy decision making.
- Make the data fully available to assist others in their policy information gathering.
- Undertake project to consider how to make consultations more accessible.
- Review and ensure that ARB is collecting appropriate and relevant data.
- Ongoing training for staff, Board and those who assist delivery of the organisation's objectives.

## Measures of Success

- Annually published data which is of value to the Board and other stakeholders.
- Equality and Diversity Implications considered as part of all policy discussions based on data where appropriate.
- 5% Increase in the Equality and Diversity information held in relation to registrants.

## End of Year Assessment

- Equality and Diversity information held in relation to registrants has increased by 8% (to 52% of the Register).
- We have not undertaken a review of the E&D action plan but instead drafted a 3 year framework by which performance can be measured, after participating in a cross-regulator group. That framework will be considered by the Board at its February 2018 meeting.
- We have established a strong working relationship with the Architects Benevolent Society (ABS). We attended their launch of a scheme in conjunction with Anxiety UK and involved them with our Tone of Voice review.
- Following the presentation of a research paper on mental health issues in architectural students to Prescription Committee and Board, changes are to be made to the student handbook to provide signposting information.
- We were invited to input into interviews for public appointments with other public bodies, thus providing us with invaluable

# Performance Report

- insights which we can apply as we implement the government's recommendation to move to an appointed board.
- The staff team have attended a number of short mental health awareness workshops and mental health awareness week was marked by the staff team both internally and via social media posts.
- All staff have received training on the Equality Act 2010; those involved in recruitment have been trained on the risks of unconscious bias.

## Manage ARB's reputation to ensure there is public confidence in the regulation of architects

### Actions

- Raise the profile of ARB's role, in order to communicate the role of regulation.
- Strengthen our relationships in the regulation and consumer sectors.
- Gather feedback from those that use our services, to ensure we are offering relevant and accessible services in a way which adds value.
- Deliver a communication plan which raises awareness of the role of ARB, in particular the public Register of Architects.
- Communicate the value of using a registered architect to enhance public/consumer/client understanding.
- Attend relevant consumer events to raise awareness of ARB's role and the public Register, through exhibiting and speaking opportunities.

### Measures of Success

- Understanding of key regulation and consumer/client issues, which assists the decision making of the Board.
- Clear understanding of ARB's performance and service delivery through wide ranging feedback.
- Publish measureable key performance indicators, and report against them biannually.
- Increased use of Search the Register facility through enhanced awareness of its value, enabling consumers to make informed choices.
- External communications reinforce message of ARB's regulatory work.
- No high profile regulatory failures leading to public criticism.

### End of Year Assessment

- Have given three CPD events for architects on matters of professional practice and the Code of Conduct.
- We are involved in a number of regulatory forums including the regulatory communications group as well as groups interested in equality and diversity issues.
- A member of the team is involved in the relaunch of the UK Inter-Professional Group, a forum for the major Regulatory and Professional Bodies in the United Kingdom.
- We regularly review our stakeholder engagement plan to review progress and identify next steps and priorities.
- Attending and presenting to an audience about the Register at consumer shows.
- Relationship developed with Which? Magazine with plan to have feature in the publication on regulation and the Register.
- Continued monitoring of the trade press and updates sent out to Board and staff regularly.
- There have been no high profile regulatory failures leading to public criticism

## To respond to the Government's advice and guidance regarding the UK's departure from the EU

### Actions

- Provide Government with information as requested on the current regulatory regime, facts and figures

- Respond to the advice and guidance provided by the Department for Communities and Local Government regarding any proposed changes to ARB's role and responsibilities.
- To ensure any changes to legislation are enacted with minimal disruption to ARB's work
- To ensure that the profession and public are kept up to date with how the UK's departure from the EU will affect ARB's core activities and function through communications, and website FAQs
- To liaise with other EU competent authorities as and when appropriate

### Measures of Success

- Positive feedback from the Department for Communities and Local Government on responsiveness and quality of information provided.
- Successful embedding of any legislative changes into ARB's operations and strategy.
- Regular updates sent to the profession and other stakeholders at appropriate intervals and website FAQs reviewed and updated on regular basis.
- Feedback from stakeholders, including profession, public and competent authorities as to quality and timeliness of communications and updates.

### End of Year Assessment

- We have continued to provide relevant and timely information/data to government departments when requested.
- We have reviewed the Act and determined which areas could be impacted as a result of the UK's departure from the EU.
- We have reviewed and refreshed the Frequently Asked Questions we publish on our website relating to this area, and will continue to do so as we learn more.
- We are keeping our stakeholders, including our European counterparts, up to date with developments as needed.

## Glossary

BEIS	Department for Business, Energy and Industrial Strategy
MHCLG	Ministry of Housing Communities and Local Government
EEA	European Economic Area
ENACA	European Network of Architectural Competent Authorities
FRoM	Financial Reporting Manual (Government document)
IP	Investigations Panel
PQD	Directive 2005/36/EC on the mutual recognition of professional qualifications
PCC	Professional Conduct Committee

# Governance: Accountability, Transparency & Compliance

ARB has a responsibility to members of the public, architects and Parliament to be transparent and accountable in its business operations.

## Accounting Officer

ARB's Registrar and Chief Executive, Karen Holmes, is also the ARB's designated Accounting Officer. Her responsibilities can be found in our Framework Agreement which is on our website. The Financial Statements section of this report, which has been signed off by our auditors, contains a governance statement from Karen.

As Accounting Officer, in addition to being responsible for the day to day management of the office and ensuring that her responsibilities under the Act are delivered, Karen is also responsible for the safeguarding and handling of public funds. These responsibilities are set out in the Framework Agreement for ARB which defines the roles of the Ministry of Housing, Communities and Local Government and ARB and how we will work together.

We have robust and transparent reporting mechanisms in place to ensure accountability at all levels within the organisation. In addition, Accounting Officers are required to meet with representatives of their sponsoring Government Department on an annual basis to demonstrate that they are fulfilling their duties appropriately and to discuss any changes to the Government's expectations. All duties were successfully achieved in 2017.

## Board Accountability

The Board is responsible for the strategic direction of the organisation and agrees an annual business plan. Board members undergo annual appraisals, where performance objectives are set each year. Members of the public can attend open sessions of our Board meetings. The details of these open sessions, along with their minutes and papers, can be found on our website. The majority of the Board's business is undertaken in open session, however, there are occasions where the Board is obliged to discuss matters in private. The policy setting out what must be considered in confidential session can be found on our website.

## Executive and Staff Team Accountability

The executive and staff are held to account by the Board's monitoring of the delivery of the annual business plan. The staff team are committed to providing information which is timely, accessible and appropriate. Five Board meetings take place throughout the year, attended by ARB's Operational Management Team and provide Board members with the opportunity to discuss and challenge the delivery of the Board's objectives. Throughout 2017, the Board received a series of written and verbal reports detailing the progress made against the business plan which can be found on our website.

## Transparency

Transparency is a core value for ARB. We aim to be transparent in our actions wherever possible and make appropriate information accessible to others. An example of how we improved our transparency in 2017 is the restructuring and relaunching our website to provide clearer and more relevant information to our audiences.



### Compliance Reviews

As part of our commitment to ensuring we are delivering our responsibilities, we undertake a series of internal reviews which look at our compliance with the Board's General Rules, the Framework Agreement, Committee terms of reference and the Act. The reviews are intended to highlight any gaps in terms of our delivery and where we can make improvements. The details and outcomes of these reviews are provided to the Audit Committee which discusses and challenges each. To date these reviews have confirmed that we are delivering our responsibilities but have usefully identified areas where we can improve further.

**5**  
**Board meetings**

# Governance: The Board

ARB is governed by a Board that is responsible for setting the strategic direction of the organisation and overseeing the organisation's performance.

## Board Structure

The Board consists of 15 members, eight are appointed lay members and seven are architects elected by their peers. Board members are eligible to serve two consecutive terms of four years under the provisions of the Act. In 2017, Peter Coe stepped down as Chair of the Board and Nabila Zulfikar was elected to replace him. Richard Parnaby acted as Vice-Chair throughout the year and acted as Chair between 16 February and 16 March 2017 while the election process to find a new Chair from within the Board took place.

The Department of Communities and Local Government (now known as the Ministry of Housing, Communities and Local Government) launched a recruitment process in late 2016, and appointed three new lay members to the positions which became vacant on 1 April 2017 when Peter Coe, Alan Jago and Neil Watts completed their tenures. These three new lay members were Caroline Corby, James Grierson and Alice Hynes. All new Board members underwent a thorough induction process during the first six months of their tenure.

## Board Effectiveness Review

Opportunities to reflect on and improve its performance are central to the Board. The Board now has an established process of reviewing its performance on an annual basis and 2017 was no exception. The Board commenced its annual effectiveness review in late 2017, with Board and Committee effectiveness questionnaires circulated to the Board, the Board's individual committees and the Operational Management Group for completion. Responses to the survey will be collated in 2018 and reflected upon by the Board in order to identify areas for improvement.

The previous 2016 review identified four areas for improvement for 2017:

- our Board members' knowledge of their roles
- our Board members' knowledge about the architectural profession
- our Board's engagement with key stakeholder groups
- benchmarking information

Some of the actions taken in response included revisiting the Board's functions as well as Good Governance Principles at a Development Day. Speakers were also invited to talk to the Board about their perspectives and areas of expertise including the President of RIBA, Ben Derbyshire. The Board also considered it was an appropriate time to undertake a significant piece of research into how ARB is viewed by its various stakeholders. This information will be invaluable in ensuring our functions are efficient and effective by enabling us to benchmark our current impact, assess our future performance and strengthen key stakeholder relationships.

# 15

Board members

# Governance: Complaints, Consultations & Feedback

ARB is committed to providing a high-quality, professional service to everyone we engage with.

## Complaints

As well as being able to raise a complaint about the competence or conduct of an architect, or misuse of the title, our stakeholders are also able to raise complaints about the service they have received from ARB.

During 2017, five formal complaints were referred to our Customer Service Manager for independent investigation resolution. Several architects also sent in feedback or made general comments about our Board policy or procedures. In line with previous years, the majority of general comments related to some aspect of the retention fee collection and subsequent removal of those who had not paid the fee in time. The formal complaints we received also raised concerns about the retention fee collection as well as aspects of the disciplinary process.

We are committed to seeking continuous improvement and a routine part of our retention fee process is to conduct an annual review of what went well and what could be improved. While a very small proportion of those involved in the process expressed dissatisfaction with the level of service they received from us we remain dedicated to reviewing and learning from each complaint or comment.

## Consultations

We have a range of stakeholders who inform and support our role including architects, members of the public, client buyers, architecture schools, professional bodies and Government. We value the knowledge and expertise of our stakeholders and regularly consult with them on matters related to new or existing policies. Input from our stakeholders through consultation ensures our decisions are informed and robust. Where appropriate, we also reply to consultations run by other regulators and other organisations.

In 2017 we ran an extensive pre-consultation exercise to gather information and feedback from a range of stakeholders from across the UK to inform the regular cyclical review of our Criteria and Procedures for the Prescription of Qualifications, the means by which we set the standards in UK education and practice. We held five round-table events in Glasgow, Belfast, Cardiff, Nottingham and London to hear stakeholders' views first hand and we also received over 100 responses to our online pre-consultation survey. The Criteria and Procedures review will continue into 2018.

## Feedback

As an organisation we value being open minded and recognise the benefits of asking for feedback in improving our services and performance. We regularly collect feedback via various channels from a wide range of service users including new registrants who have used the online application facility, candidates who have sat the Prescribed Examination, institutions which had sought recognition of their qualifications, those who have used the complaints process up until the Investigation Panel stage, and those who have made formal complaints about our services via the Board's complaints procedure. Examples of feedback we have received and the resulting action we took can be found in the Our Role sections of this report.

# Governance: Equality & Diversity

ARB is committed to operating in accordance with recognised principles of Equality and Diversity to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out our activities.

We continue to collect Equality and Diversity (E&D) information from applicants to the Register as well those re-joining. Across the past year we have reviewed and revised the categories of E&D information collected across the departments and for recruitment purposes, and will continue to do so. We currently hold E&D data for 52% of the Register and have made it available to assist others (such as representative groups) in their policy information gathering. Some of the E&D data we hold about the make-up of the Register can be found in the Facts & Figures – Governance section of this Report.

We recognise the benefits to the profession and ARB as an organisation of drawing on a broader range of talent and believe following equality principles will result in better informed decision-making and policy outcomes. Amongst others, we are supported in our functions by an Investigations Pool and the Professional Conduct Committee. The Investigations Pool considers complaints about architects' conduct and competence and whether there is a case to answer at a Professional Conduct Committee hearing. The Professional Conduct Committee considers allegations of unacceptable professional conduct and serious professional incompetence against architects. In 2017 bespoke training on E&D matters and the risks of unconscious bias in disciplinary proceedings in particular was provided to the Investigations Pool and Professional Conduct Committee members. ARB staff also undertook further training, ensuring that all have a base understanding of the Equality Act 2010 and E&D principles.

In preparation for a review of both documents, Equality Impact Assessments of our current Criteria for Prescription of Qualifications and the Procedures for Prescription were undertaken. These equality impact assessments will be repeated once any new Criteria and Procedures are developed as a result of the review. We also worked with a group of regulators to agree a framework against which E&D performance can be measured. The group was led by the General Medical Council and included the Solicitors Regulation Authority, the Bar Standards Board, the General Osteopathic Council, the General Dental Council, the General Optical Council, the Nursing and Midwifery Council and the Police Complaints Commission. The framework, while generic across the organisations, will also include performance targets which are specific to each.

**52%**

of the Register  
provided E&D data

# Governance: Freedom of Information & Data Protection

The Freedom of Information Act 2000 (FOIA) provides public access to information held by public authorities and the Data Protection Act 1998 (DPA) regulates the use of personal data and enables individuals to make a subject access request to find out what data about them is being held by an organisation and how it is being processed.

We are committed to making information readily available to the public wherever it is possible and practical to do so and continue to publish information about our work so that those seeking data can find it without having to make specific requests. By law, FOIA requests should be responded to within 20 working days and subject access requests under DPA within 40 working days.

In 2017, we:

- Received 20 requests for information (down from 32 in 2016)
- Responded to all requests within the statutory timescale
- Experienced no data breaches
- Dedicated 70 hours of staff time to handling requests

**20**

requests for  
information received

## Facts & Figures: Communications



Twitter followers  
up by 17%

**2,013**



Facebook likes  
up by 16%

**948**



LinkedIn followers  
up by 14%

**2,721**



YouTube video views  
up to 36%

**13,123**



Ebulletins

**5**



average monthly Ebulletin  
circulation

**12,221**



News  
releases

**22**



unique views of the  
releases (combined)

**2,781**



consumer  
show stands

**3**

\* A 'session' refers to a user's discrete interaction with a website, typically until there is 30 minutes of inactivity. A user's interaction during a session may include multiple pages views, and they may initiate more than one session a day. Sessions are an alternative metric measurement to 'unique visits' which represent visits by 'unique' users to your website. Unique visits are measured by cookies which means that an individual using a home and work computer will be counted as two unique visitors and three people using the same home computer will be counted as one unique visitor.

## Facts & Figures: Finance

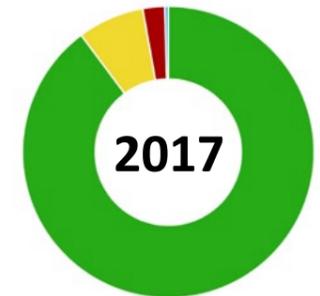
Income

**£4,740,576**

(£4,589,752 in 2016)

**Income**

- Retention Fees
- Registration & Prescribed Fees
- Investment Income
- Other



2017	2016
£4,257,431	£4,103,211
£349,899	£347,374
£115,730	£116,179
£17,516	£22,988

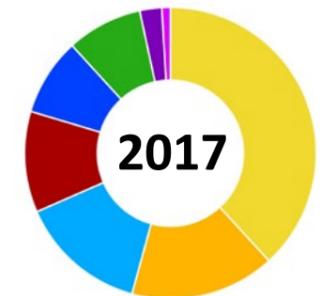
Expenditure

**£3,990,299**

(£3,805,431 in 2016)

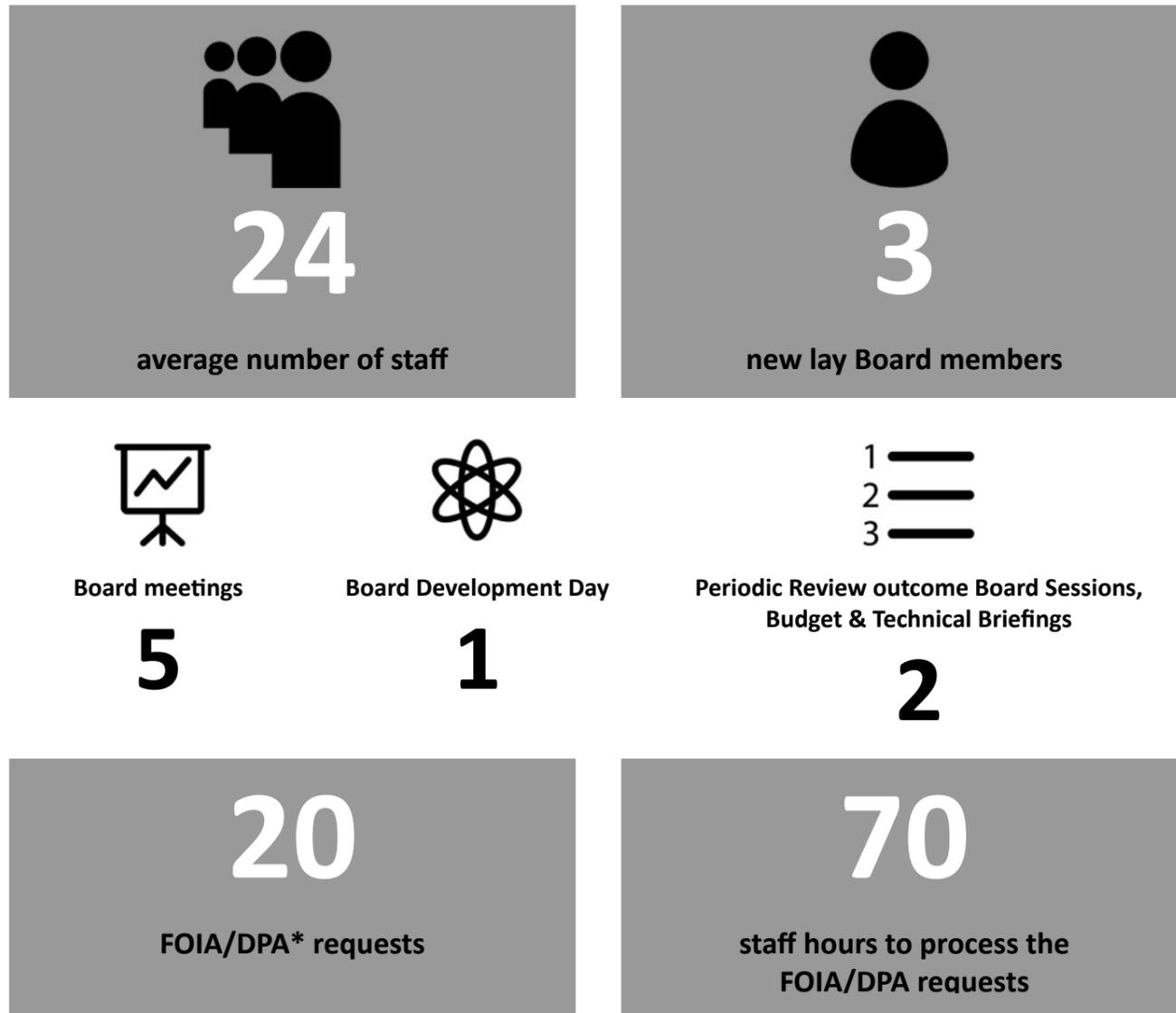
**Income**

- Staff
- Office
- Regulation
- IT Charges
- Other Administrative costs
- General legal, specialist advice & insurance
- Board Expenses
- Printing & Stationery



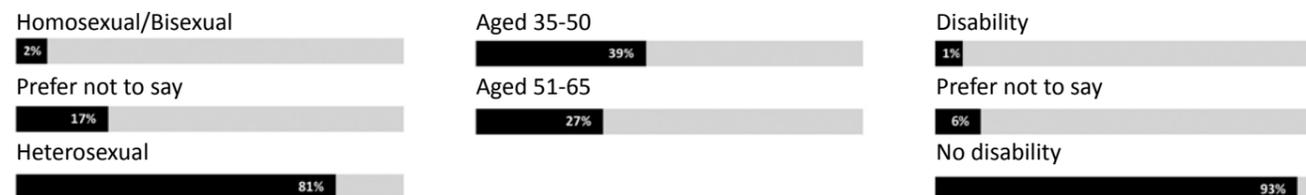
2017	2016
£1,524,517	£1,368,788
£640,259	£621,058
£566,020	£724,541
£446,975	£395,369
£342,546	£292,255
£335,110	£275,010
£97,298	£74,717
£37,574	£53,693

# Facts & Figures: Governance



\* Freedom of Information Act/Data Protection Act

## Registrants Equality & Diversity



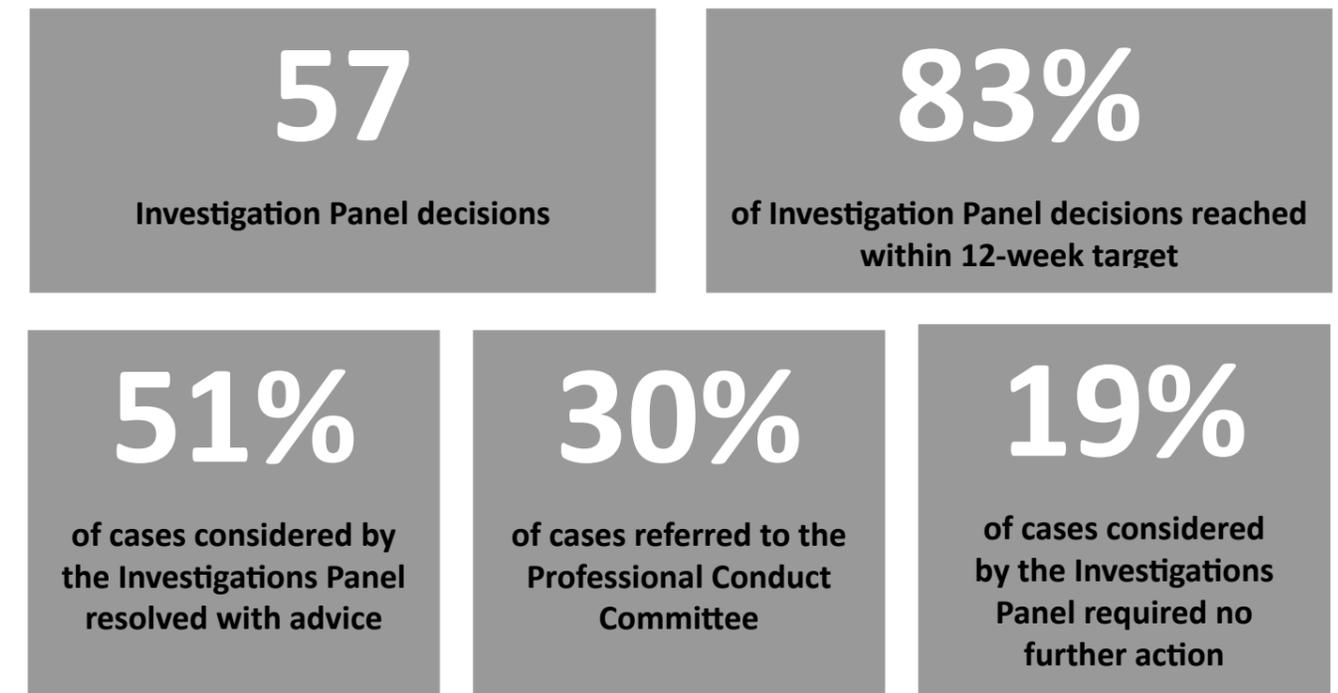
# Facts & Figures: Professional Standards

## Conduct & Competence

### Complaints

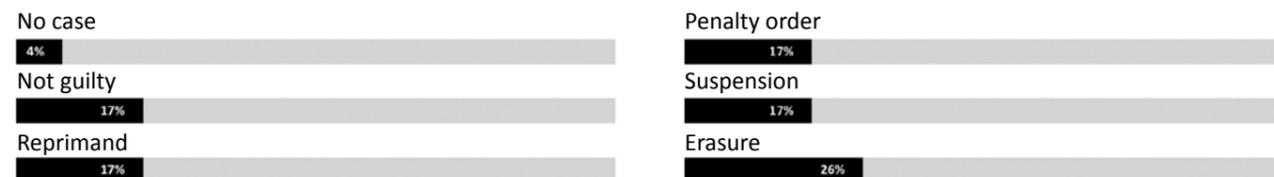


### Investigations Panel

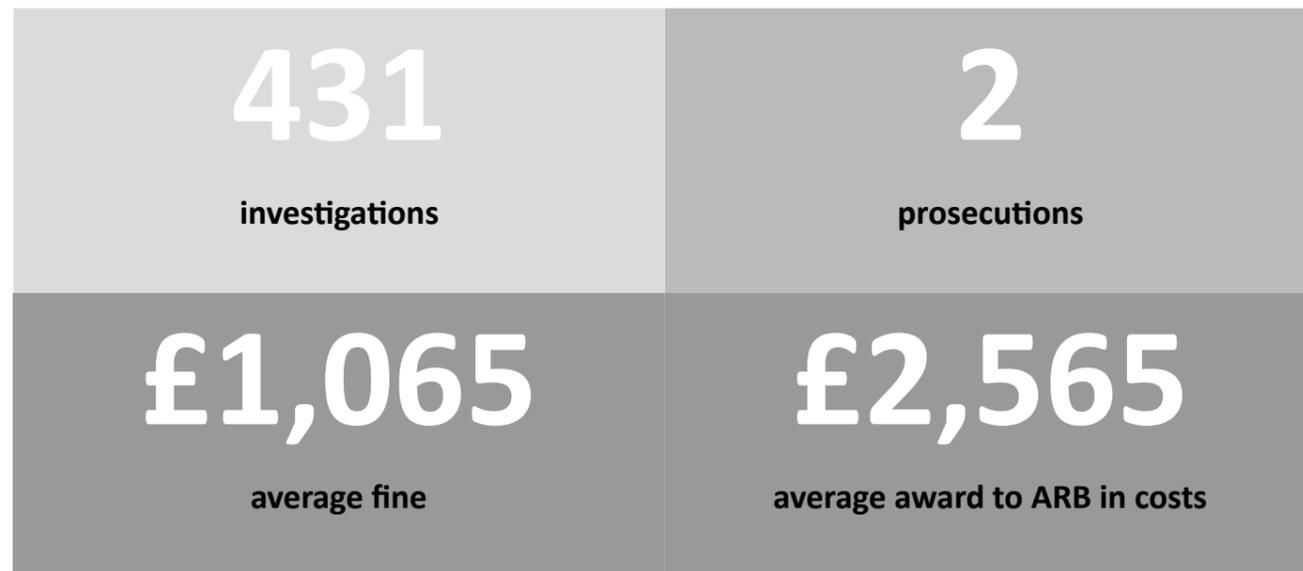


# Facts & Figures: Professional Standards

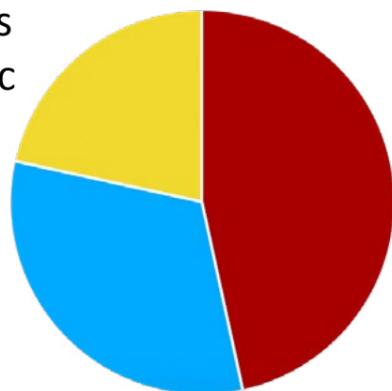
## Professional Conduct Committee Hearing Outcome



## Misuse of Title

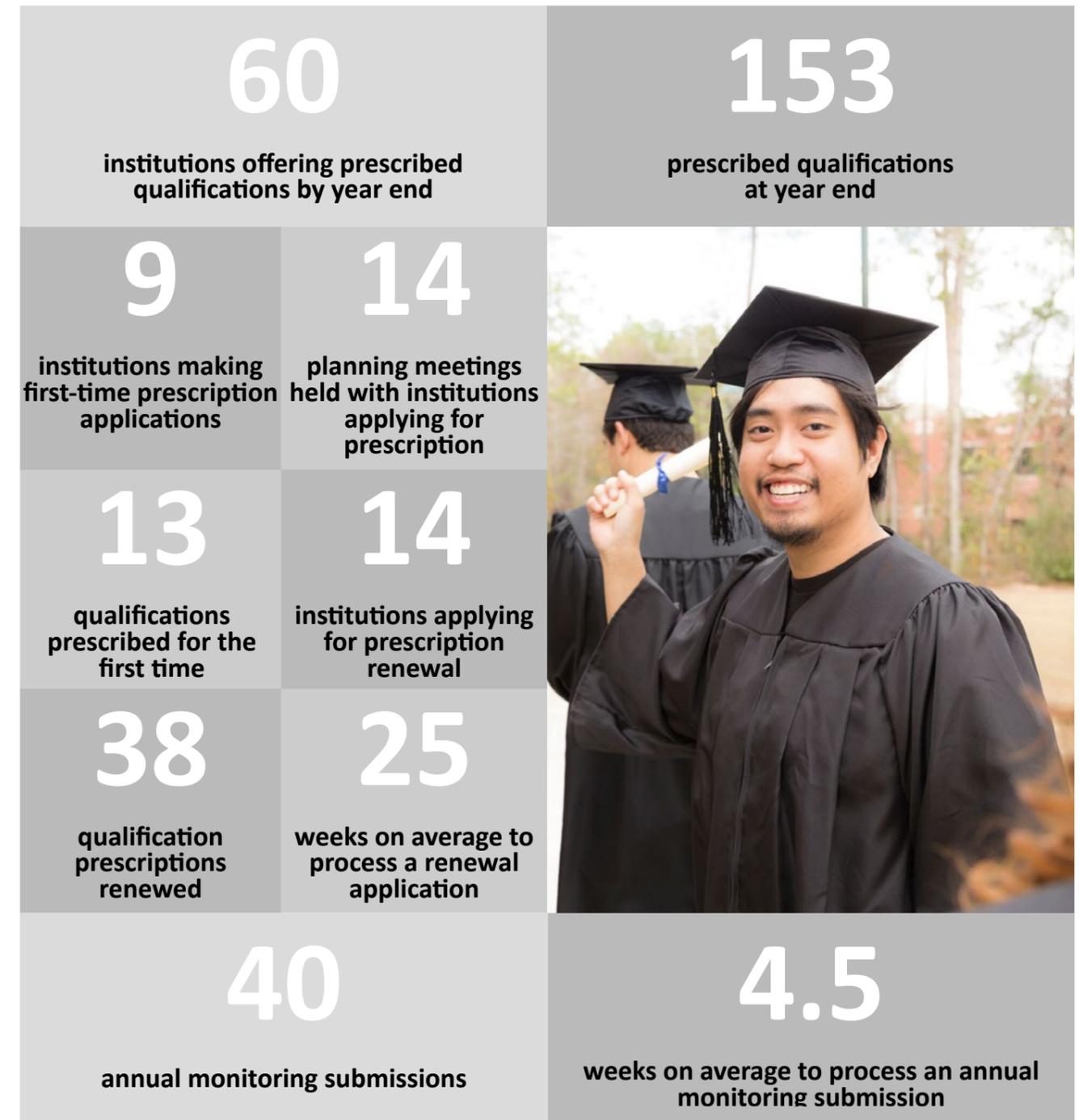


- 41% of Complaints from architects
- 28% of Complaints from the public
- 19% of Other & ARB enquiries



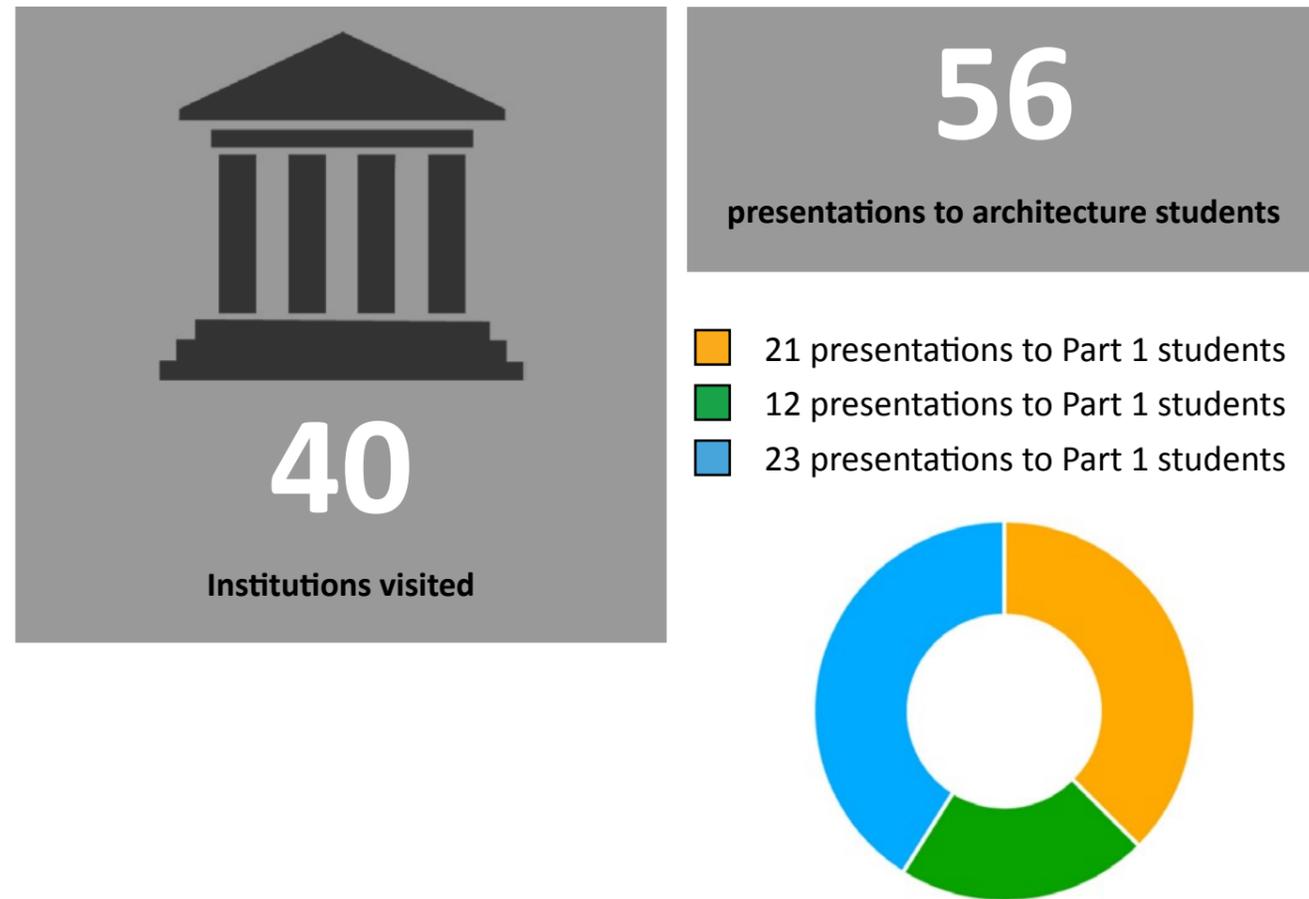
# Facts & Figures: Qualifications

## Qualification Prescription

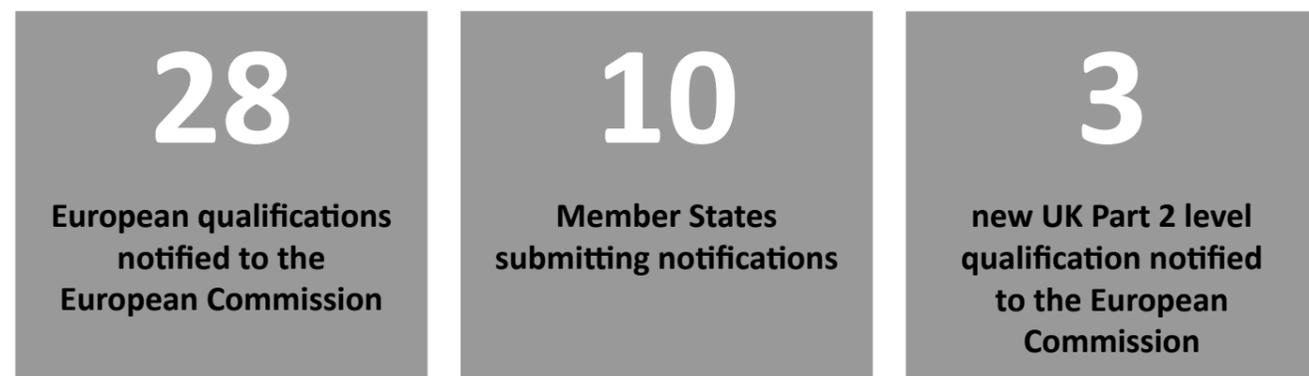


# Facts & Figures: Qualifications

## Liason Visits



## European Notification



# Facts & Figures: Registration

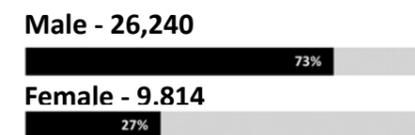
## Architects

**39,987**

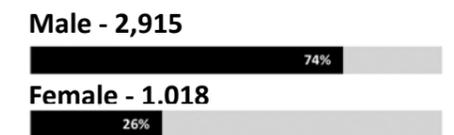
(38,511 in 2016)



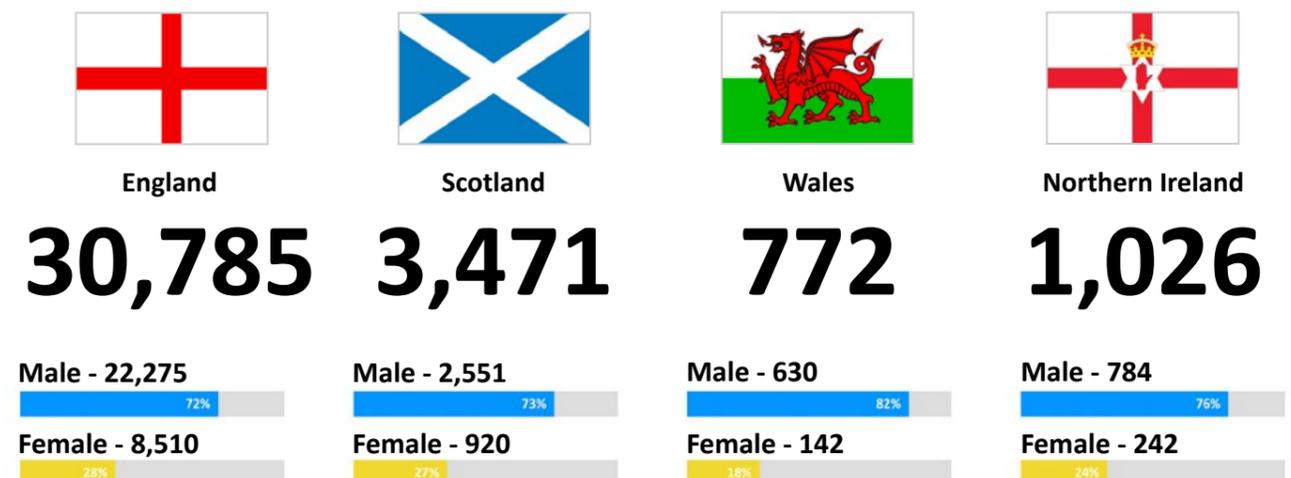
**UK**  
**36,054**



**Overseas**  
**3,993**

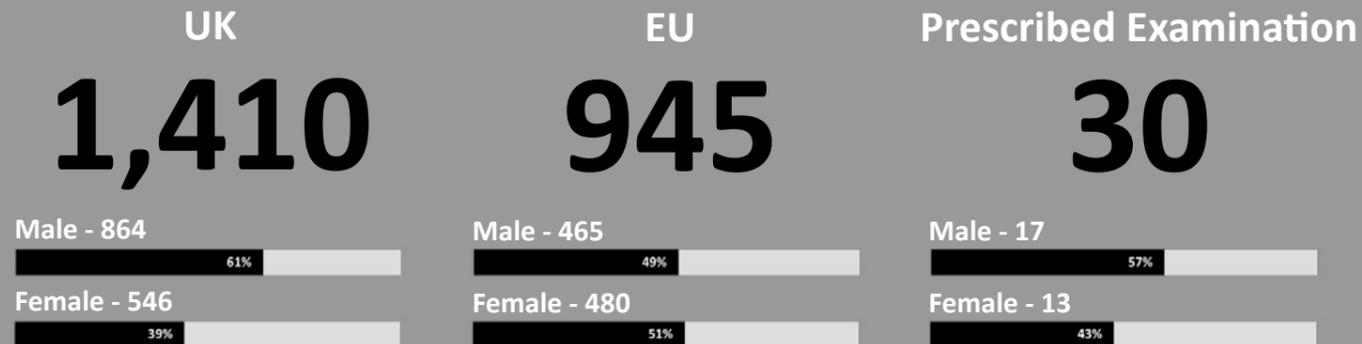


## Locations



# Facts & Figures: Registration

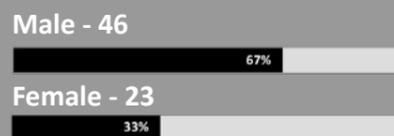
## New admissions



## Rejoining

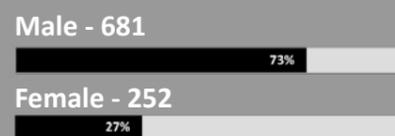
### Readmissions

**69**



### Reinstatements

**933**



Year	Deaths	Resignations	Removals for non payment	Reinstatements and readmissions	New admissions	Total as at end Dec
2012	75	664	750	633	1,481	34,328 (+618)
2013	66	917	1,358	1,031	1,504	34,520 (+192)
2014	41	598	2,043	1,718	1,906	35,411 (+891)
2015	58	506	1,809	1,616	2,279	36,932 (+1,521)
2016	63	584	1,433	1,214	2,507	38,511 (+1,579)
2017	62	648	1,182	1,002	2,385	39,987 (+1,476)

The above summary does not include all status changes

## Routes



**1,440**

online (all apps)

via UK route including Prescribed Examinations



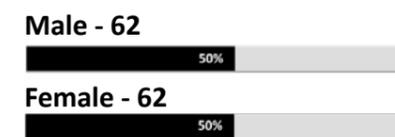
**945**

online (all apps)

via EU route

## Prescribed Examinations Sat

**124**



## Fees Collected

	2017	2016	2015
Bank transfer	5,156	4,445	3,263
Cash	4	7	7
Direct Debit	11,050	11,440	12,074
Website	16,920	15,330	13,410
Credit card (by phone)	1,465	1,327	1,739
Cheques	3,063	3,181	3,478
<b>Total number of fees collected</b>	<b>37,658*</b>	<b>35,722*</b>	<b>33,971*</b>

\*Figure will differ from the Register figures due to prepayment, credit balances and refunds issued

## Telephone Calls

**18,861**

answered  
(22,018 in 2016)

**9**

seconds average waiting time  
(14 seconds in 2016)

# Annual Report and Financial Statements 2017

## ARCHITECTS REGISTRATION BOARD ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2017

### PERFORMANCE REPORT

#### Statement of the Registrar & Chief Executive, Karen Holmes, on the performance of the Architects Registration Board in 2017.

##### Overview

The Annual Report and Financial Statements follow the requirements of the Government Financial Reporting Manual (FRM) issued by HM Treasury. Section 5.2 of the FRM requires us to prepare a “Performance report” which approximates to a Strategic report prepared under the Companies Act 2006. Section 5.3 of the FRM requires us to prepare an “Accountability report” which approximates to a Directors’ report prepared under the Companies Act.

##### Purpose and activities of the Architects Registration Board (ARB)

ARB is a statutory body established by Parliament under the Architects Act 1997 (the Act) to regulate the architects’ profession in the UK.

Under the provisions of the Act, ARB’s main activities include:

- Prescribing – or ‘recognising’ - the qualifications needed to become an architect
- Keeping the UK Register of Architects
- Issuing a Code of Conduct for architects
- Investigating allegations of unacceptable professional conduct and serious professional incompetence against architects
- Regulating the title ‘architect’
- Act as the UK’s Competent Authority for architects

ARB’s two strategic aims, which sit under its statutory responsibilities, are:

- Protecting the users and potential users of architects’ services
- Supporting architects through regulation

A Board of 15 members oversee the work of ARB. Seven are architects elected by the profession and the remaining eight are non-architects appointed by the Privy Council.

ARB has a permanent staff of 25, including an executive team of five.

The work of ARB is largely delivered through a number of committees. Further information on our committee structure is detailed within the Governance Statement.

##### Risks in delivering ARB’s objectives

ARB has in place a risk management strategy, which is reviewed and updated annually. The strategy specifies how ARB identifies, assesses and manages the risks which may impact on ARB’s delivery of its strategic aims. The strategy has six principles which underpin ARB’s approach:

1. To embed good practice within ARB’s risk management framework.
2. To promote an ethos where risk management is everyone’s responsibility within ARB.
3. To continuously identify and assess risk in ARB’s day-to-day operations.
4. To consider risk when identifying and defining strategy and policy.
5. To regularly monitor and report on the risks identified in the Risk Register.
6. To continually strive to lower and improve the impact of risk through scrutiny of controls and actions specified within the Risk Register.

We revised the Risk Register in 2017 and our internal auditors, Grant Thornton, undertook a Risk Assurance mapping exercise to ensure principal risks were appropriately graded and that recommendations were made and actions identified to add further mitigation where possible.

A number of key risks that could affect ARB’s ability to deliver its objectives in 2017 were identified and are outlined below:

##### Brexit

A key risk for 2017 was the on-going uncertainty around Brexit and any impact that might eventually be realised. Whilst ARB’s review of its routes to registration was previously put on hold pending the Periodic Review outcomes, uncertainty around the UK’s relationship with the European Union and the rest of the world post-Brexit has led to a further stay on any such review. ARB has also had to assess the potential impact of a change to the status of non-UK EU nationals, including a potential drop in income and an increase in complexity to our approach to recognising qualifications from Europe. A staff team focussed on Brexit has been formed to enable ARB to respond nimbly as the landscape becomes clearer.

##### Periodic Review

The Periodic Review was published in March 2017 and a plan was put in place for the delivery of the outcomes. Executing our part of the plan has required considerable resource and we addressed this inherent risk by recruiting staff in areas at risk of slippage because of the additional workload. We have also faced a significant task of managing stakeholder relations since the outcomes were published and had to adjust our business plan to reflect the recommendation and commitment by the department to put in place an all appointed, smaller Board. We have managed to carry out the tasks required so far without impacting on the business as usual activities of the organisation.

##### Capacity Risk

The outcomes of the Periodic Review and the work associated with the business as usual reviews of the Criteria and Procedures for prescription continued to create a resource risk which ARB managed effectively through the recruitment of new key personnel and the organisation continues to successfully deliver its statutory functions. In 2017 there was an overall decrease in the number

# Annual Report and Financial Statements 2017

of new applications received from architects wishing to join the Register, largely due to a reduction in applications from individuals with qualifications from other EU countries. There was, however, an increase in applications from UK applicants and in other areas of the Registration Department's work. There was also an increase in the prescription of qualifications, which created a heightened risk to capacity and resource. This was mitigated by the Board increasing the maximum permanent staff headcount from 23 to 25 members of staff.

## Legal Challenge

Due to the nature of ARB's role as a statutory regulator, there continued to be an ongoing risk in respect of judicial review or legal action in respect of decisions taken by the Board, the Registrar or the Professional Conduct Committee. There were no appeals against decisions made by ARB in 2017, though we need to accept that as a regulator ARB could face challenges to the decisions it makes through the course of its business at any point. Such challenges can be costly and create reputational risk. Appropriate insurance arrangements are in place to mitigate the financial risks arising from legal challenge and robust procedures are in place to ensure that decisions are reached fairly and in line with the law.

## Performance Summary

The strategic aims of ARB are reflected through specific objectives, which are set out in the annual Business Plan. The success in delivering those objectives is judged against Key Performance Indicators (KPIs) and measurable targets.

The on-going performance of ARB against those objectives is reported twice a year to the Board, and published in an annual report early in the subsequent year.

In summary, in 2017 ARB met 10 out of 16 of its key performance indicators (KPIs), and plans were put in place to address the areas in which performance could be improved in 2018. There were no areas in which performance was unacceptable. Further details can be found in the Performance Analysis below.

## Performance Analysis

### Measures of performance

ARB measures its performance in two ways:

- Delivery of objectives against the annual Business Plan
- Delivery of core-work against agreed KPIs

### Delivery of objectives against the Business Plan

In 2017 there were 25 objectives set out in the Business Plan. Success in the delivery of these objectives is assessed via a traffic light system. 24 of the objectives were fully delivered. One objective, 'to ensure the investigations process is running smoothly and offers a fair process to all', was partially delivered or delivered with only partial success as the new online portal was not in place.

The full breakdown of the delivery of ARB's objectives can be found in ARB's 2017 Report against the Business Plan, published on the organisation's website <http://www.arb.org.uk/about-arb/arbs-board-committees/board-meetings/board-meetings-2018/february-agenda-14022018/>

In summary:

<b>24</b>	<b>ARB has successfully delivered the item of work to a satisfactory standard</b>
<b>1</b>	<b>ARB delivered the majority of the item or delivered only with partial success</b>
<b>0</b>	<b>ARB has not delivered the item or performance has been unsatisfactory</b>
<b>0</b>	<b>No outcome due to Periodic Review so item of work undeliverable</b>

### Delivery of core-work against agreed KPIs

The Board has set KPIs for its core activities. On-going performance is reported biannually both statistically and using a traffic light system.

ARB's performance has generally improved from the previous year, notably in Registration where all of the three KPIs were improved upon and Professional Standards where four out of six KPIs were improved. This is notable because of the increase in workload in some areas and a continued increase in the number of architects on the Register.

Key:

Met KPI	Within 20% of KPI	Failed KPI >20%
---------	-------------------	-----------------

Performance indicator	Target for 2017	Year to Date	Traffic light
<b>Maintaining the quality of the Register</b>			
UK route registrations – number of days to process	90% within 15 (working) days	<b>95%</b> (93% in 2016)	
Automatic European route registrations – number of days to process	90% within 15 (working) days	<b>87%</b> (84% in 2016)	

Reinstatements & Readmissions within 2 years	90% within 5 (working) days	<b>95%</b> (93% in 2016)	
<b>Maintaining the standards of conduct and practice of Architects</b>			
Complaints in office – number of weeks from date of receipt to IP referral or closure	80 % within 14 weeks	<b>84%</b> (86% in 2016 <sup>1</sup> )	
Complaints with IP – number of weeks from referral of case to issue of final decision	80 % within 12 weeks	<b>83 %</b> (81% in 2016)	
PCC Reports – number of weeks from referral to production of Board solicitor’s Report	80 % within 12 weeks	<b>65%</b> (64% in 2016)	
PCC Hearing date – number of weeks from receipt of Board solicitor’s Report to PCC hearing	80 % within 16 weeks	<b>70%</b> (68% in 2016)	
<b>Assisting the public to make informed choices</b>			
Title complaints in office – number of weeks from date of receipt to referral to Board’s solicitor or closure	80 % within 16 weeks	<b>95.8%</b> (91.3% in 2016)	
Title complaints with Board’s solicitor to prosecution decision	80 % within 12 weeks	<b>64%</b> (83% in 2016)	

**1 The target in 2016 was 16 weeks, rather than 14**

<b>Prescription Applications<sup>2</sup></b>			
Average number of weeks to complete initial scrutiny of Prescription Applications	95% within 2 weeks	100% in 0.77 weeks	
Average number of weeks taken between an application being received to it being considered by the Committee for the first time	95% within 7 weeks	96% in 5.45 weeks	
Average Number of weeks taken for an Independent Adviser to respond to Committee’s request	95% within 3 weeks	No routine applications were referred directly by the Committee to its independent advisers.	
<b>Annual Monitoring Submissions (Prescription of Qualifications)</b>			
Average number of weeks taken for an annual monitoring submission to be considered by the Committee for the first time	95% within 6 weeks	100% in 4.51 weeks	
Average number of weeks taken for a significant change to be considered by the Committee for the first time	95% within 6 weeks	100% in 4.86 weeks	
Average number of weeks taken for a minor change to be considered by the Committee for the first time	95% within 6 weeks	100% in 4.67 weeks	
Average number of weeks taken for evolutionary change/s to be considered by the Committee for the first time	95% within 6 weeks	100% in 6.31 weeks	
Average number of weeks taken for an extension to prescription request to be considered by the Committee for the first time	95% within 7 weeks	No institutions sought extensions to prescription	

# Annual Report and Financial Statements 2017

Signed by



Karen Holmes, Registrar and Chief Executive (Accounting Officer)

11/05/2018

[2] Previous years' data unavailable for Qualifications' KPIs

## ACCOUNTABILITY REPORT

### Corporate Governance Report

#### Board Report

##### Administration Office

8 Weymouth Street  
London  
W1W 5BU

##### Bankers

National Westminster Bank Plc  
10 Marylebone High Street  
London, W1U 4BT

##### Auditors

Crowe Clark Whitehill LLP  
St Bride's House  
10 Salisbury Square  
London, EC4Y 8EH

**Board Chair** - Peter Coe was elected Chair of the Board until 16/03/17. Nabila Zulfiqar was elected Chair with effect from 16 March 2017.

**Leadership** - Karen Holmes was Registrar and Chief Executive throughout 2017.

#### Board Membership 2017

Carol Bernstein	Appointed	Jason Bill	Elected
Peter Coe	Appointed (Retired 31/3/17)	Guy Maxwell	Elected
Caroline Corby	Appointed (From 1/4/17)	Richard Parnaby	Elected
James Grierson	Appointed (From 1/4/17)	Susan Roaf	Elected
Alice Hynes	Appointed (From 1/4/17)	Danna Walker	Elected
Alan Jago	Appointed (Retired 31/3/17)	Susan Ware	Elected
Ros Levenson	Appointed	Alex Wright	
Suzanne McCarthy	Appointed		
Jagtar Singh	Appointed		
Neil Watts	Appointed (Retired 31/3/17)		
Nabila Zulfiqar	Appointed		

#### Chairs of Committees

Committee	Chair
Audit Committee	Suzanne McCarthy
Investigation Oversight Committee	Nabila Zulfiqar (Until 12/5/17) Ros Levenson (From 12/5/17)
Prescription Committee	Alan Jago (Until 15/11/17) Alice Hynes (From 16/11/17)
Remuneration Committee	Alan Jago (Until 31/3/17) Jagtar Singh (From 12/5/17)

#### Declaration of Interests

All Board members submit an annual declaration for inclusion within the Board's Register of Interests. Details of the most recent declarations are published with individual Board members' details on ARB's website, <http://www.arb.org.uk/about-arb/arbs-board-committees/board-members/>

We keep a rolling record of each Board members' declaration. A Register of Interests form is circulated prior to each Board meeting, and each Board member is asked to disclose by return anything not already included within the existing Declaration that might give rise to an actual or perceived conflict on any specific agenda item. The completed forms are available at each Board meeting for viewing by Board Members and any disclosures are recorded within the meeting minutes for transparency.

#### Information Security and Data Handling

Due to our statutory functions, we hold a large amount of data some of which constitutes personal data. We have in place relevant procedures to ensure data is handled appropriately at all times. In 2017, no complaints were made to the Information Commissioner about ARB's responses to requests for information under the Freedom of Information Act 2000. We are currently preparing for the General Data Protection Regulations (GDPR) and, whilst we anticipate being compliant, we have added this as an item on the Risk Register.

#### Equality and Diversity

The Board receives an annual progress report on Equality and Diversity. The latest report was presented to the Board in November 2017. In February 2018, a breakdown of the Equality and Diversity data collected was presented to the Board. The Board Equality Scheme and agreed actions have been updated to take account of the Public Sector Equality duty to which ARB, as a public body, is subject to.

Many of the aims identified in the Scheme have become firmly embedded in the Board's work and in the work of ARB more generally. As a public body, ARB abides by the Public Sector Equality Duty, which requires public bodies to:

- eliminate unlawful discrimination, harassment, victimisation and any other conduct prohibited by the Act;
- advance equality of opportunity between people who are of a protected characteristic and those who are not; and
- foster good relations between people who share a protected characteristic and those who don't.

The Board considers all of these requirements in any decision-making process, and any equality implications are identified and taken into account before decisions are made. All of those who provide a service on behalf of ARB will have received training on the Equality Act and its importance to ARB's functions.

# Annual Report and Financial Statements 2017

## Environmental/Recycling

ARB is committed to reducing the impact on the environment through recycling, and the organisation uses different receptacles for collecting and segregating recyclable and non-recyclable waste.

During 2017 we saved the equivalent of 107 trees (81 in 2016) by recycling 6,297 kilos of paper (4,740 in 2016). The volume of printing increased during 2017 by 6% (there was a 9% increase in 2016) and the amount recycled increased by 33%. The increase in recycling was partly due to the increase in printing. We continue to encourage the use of recycling and are committed to moving further services online with electronic means of communication as the default option where possible.

To help reduce emissions, computers are powered down when not in use, computer monitors and lights are switched off at night. Some rooms have been fitted with sensor switches to ensure lights are only on when the room is in operation. Heating throughout the office is zoned and timed.

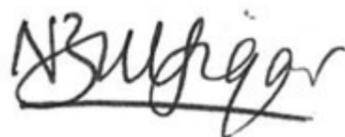
## Employee involvement

The “one ARB” ethos continues to be cultivated throughout the organisation. We have a set of commitments, which provide a focus for each aspect of the work we do, and we continue to embed these further into our work, which is supported through all staff training events. At the start of 2018 we carried out a staff engagement survey which will be reported on at the next Remuneration Committee meeting.

## Health and Safety

There have been no health and safety incidents reported during the year. All the statutory checks and tests have been undertaken and classified as complete. We have also undertaken a security review of ARB and implemented several recommendations, including the installation of shatterproof film on the office’s windows to protect against the effects of an explosion.

## Approved and signed on behalf of the Board



**Nabila Zulfiqar**  
**Chair of the Board**  
**11/05/2018**

## Statement of Accounting Officer’s Responsibilities of the Board and the Accounting Officer in respect of the financial statements

Under the Framework Agreement drawn up jointly between the Architects Registration Board (ARB) and the Ministry of Housing, Communities and Local Government (MHCLG), ARB will prepare financial statements for each financial year in the form and on the basis set out in the Accounts Direction issued by the MHCLG. The financial statements are prepared on an accruals basis and must give a true and fair view of the state of affairs of ARB and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing the financial statements, the Accounting Officer is required to comply with the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by the MHCLG, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements; and
- prepare the financial statements on a going concern basis.

The MHCLG has appointed the Registrar as Accounting Officer of ARB. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the ARB’s assets are set out in Chapter 3 of Managing Public Money published by the Treasury.

As the appointed Accounting Officer I confirm that, as far I am aware, there is no relevant audit information of which the entity’s auditors are unaware, and that I have taken all the steps to make myself aware of any relevant audit information and to establish that the entity’s auditors are aware of that information. I also confirm that the Annual Report and financial statements as a whole are fair, balanced and understandable, and that I take personal responsibility for the Annual Report and financial statements and the judgments required for determining that they are fair, balanced and understandable.

## Signed by



**Karen Holmes, Registrar and Chief Executive (Accounting Officer)**

**11/05/2018**

## Governance Statement

As Accounting Officer of the Architects Registration Board (ARB), I, Karen Holmes, am responsible for the management and control of the operations of ARB and the efficient use of our resources. The Board and my colleagues within ARB support the role. This Governance Statement identifies how I discharge those responsibilities. The Statement outlines the governance of the organisation and the risk management framework, which are essential to managing and controlling ARB’s resources and risks. It reflects the challenges and activities of ARB during the year and provides assurance as to performance, responses to risk and the organisation’s success in managing risk. The Statement also identifies where ARB will be taking steps to improve.

## Corporate Governance

The Board provides the strategic leadership and oversight of ARB. The Board is comprised of 15 members. Eight members are appointed (lay) members, are appointed by the Privy Council after advice from the Secretary of State of the MHCLG. Seven members are elected architect members. In relation to the appointed members, ARB is invited to identify particular skills which may be sought in making the appointments in order to assist the Board in securing a range of skills beneficial to the operation of the Board.

Members of the Board who served during the year are shown on page 6.

# Annual Report and Financial Statements 2017

Five Board meetings were held during 2017 and parts of each meeting were held in public. Agendas, papers and minutes were published on ARB's website in accordance with ARB's policy on open and confidential sessions of the meetings. In addition to the formal meetings, the Board also met to discuss the report published on the outcomes of the Periodic Review. It also met for two development sessions and an annual budget briefing. Details of Board member attendance at Board and Committee meetings together with expenses and attendance allowances claimed are published annually and are reported in the Appendix to the financial statements.

The Board works in accordance with a Board Members' Handbook, which includes a Board Members' Code, which follows the seven principles of public life. The Board Members' Code was reviewed, updated and approved by the Board in May 2017.

Declarations of interests are collected at least annually and published on ARB's website. At all meetings declarations based on the specific meeting agenda are requested prior to commencement and, where appropriate, members are excluded from the relevant discussions. Declarations are recorded in the minutes.

## Oversight

The Board determines ARB's annual budget and ensures that the necessary resources are available to fulfil the statutory responsibilities. The Board provides oversight of the activities of ARB and sets the fees payable by architects for registration and retention of their names in the Register. Regular reviews are undertaken of ARB's management accounts throughout the year and any variances are highlighted and considered. The Board receives a report on ARB's performance against key performance indicators together with trend information twice a year, and considers mid-year progress of the Business Plan and the delivery of the Business Plan after the year-end.

At each Board meeting the Board receives an operational activity report. The report provides the Board with information on the day-to-day operational business of the organisation.

## Decisions of the Board

The Board is required to take a number of decisions under statute in addition to determining policy. Statutory decisions taken during 2017 included the prescription of new qualifications in architecture, introducing a new Architects' Code of Conduct and setting the retention and other fees as well as re-entry to the Register. In addition, the Board took non-statutory decisions such as the Scheme of Decision Making, the Investment Strategy and a review of the daily allowances paid to Board members and external advisers.

ARB has a number of Committees which assist the Board as described below. Each Committee has terms of reference, which are determined by the Board and are published on ARB's website. Each Committee reviews its own terms of reference and makes recommendations to the Board for change, with the exception of the Professional Conduct Committee where the terms of reference are embedded within Investigations and Professional Conduct Committee rules. All Committees report to the Board. The Professional Conduct Committee holds its hearings in public and also provides an annual report to the Board. All other Committees prepare minutes, which are passed to the Board and also produce an annual report.

## Audit Committee

The purpose of the Audit Committee is to assist the Board with its oversight functions. The Committee reviews the system of internal control, the management of risks and the financial reporting process. It also oversees the work of the internal and external auditors. This Committee is particularly important in assisting the Board and the Accounting Officer in managing risk.

## Remuneration Committee

The purpose of the Committee is to ensure that the remuneration and reward packages offered to staff, Board members and advisers are reviewed and amended appropriately. Regular external benchmarking work is undertaken to ensure Board member attendance allowance rates and staff salaries remain in line with comparable organisations.

## Investigations Oversight Committee

The Investigations Oversight Committee is in place to oversee investigations into allegations of unacceptable professional conduct and serious professional incompetence, as defined by section 14 of the Act. It monitors the performance of ARB and those appointed to investigate on its behalf and reports back to the Board through minutes of its meetings and an annual report.

## Professional Conduct Committee

Although a Committee of ARB, the Professional Conduct Committee is separate from the Board in its decision-making. While a number of Board members are nominally members of the Committee, they take no part in cases being considered to ensure a separation of policy making and decision making. The Professional Conduct Committee considers and determines cases referred for unacceptable professional conduct, serious professional incompetence and relevant criminal convictions. The Committee's Chair presents a report to the Board on an annual basis, and attends the relevant Board meeting.

## Prescription Committee

The Prescription Committee's key role is to oversee the operation of the procedures for Prescription of Qualifications. It also considers and develops policies relating to the Prescription of Qualifications. In addition, the Committee has a responsibility to oversee matters relating to ARB's Prescribed Examinations and the Competency Standards Group.

## Board Effectiveness

To assist the Board in the effective discharge of its responsibilities, Board members receive a comprehensive induction programme. Board and Committee papers are provided in advance of meetings wherever possible, and contain sufficient information to allow the Board and the Committees to discharge their responsibilities. During the year, the Board sets aside development sessions which allows the Board to focus on horizon scanning and strategic development. A Board appraisal system is operated together with an external appraisal process for the Chair of the Board. The Board considered the outcome of the most recent effectiveness review in February 2017, and will continue to take steps to improve Board and Committee effectiveness. A Board effectiveness review is currently underway, with the Board due to consider outcomes at its 2018 development day.

## Risk Management

In fulfilling my responsibilities as both Accounting Officer and Registrar of the ARB, I work closely with the Board as under the Architects Act 1997 (as amended) responsibilities for the delivery of the Act are designated to me or to the Board. The Board determines the risk strategy of the organisation and sets the Scheme of Decision Making, which is in place to identify where authority for decision-making lies.

## The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is an on-going process designed to identify and prioritise the risks to the achievement of ARB's purpose, policies, objectives and statutory responsibilities. During 2017 specific consideration was given to the delivery of the recommendations from the Periodic Review, the possible implications of the UK leaving the EU and the impact of the ongoing growth in the demand for the organisation's services.

The system of internal control has been in place for the year ended 31 December 2017 and up to the date of approval of the Annual Report and financial statements. The system of internal control accords with Treasury guidance where it is considered to be appropriate and adds value to ARB.

## Capacity to Handle Risk

The Board has overall responsibility for risk management and is aided by the Audit Committee. A fundamental aspect of risk

# Annual Report and Financial Statements 2017

management is obtaining assurance that appropriate systems of controls and actions are in place along with a robust and transparent reporting mechanism of those risks. The Board achieves this by having effective oversight procedures in place.

Along with the management team, I am responsible for the day-to-day management of risk including the delivery and promotion of sound risk management practices. Staff are aware of ARB's Risk Strategy and are encouraged to contribute and highlight potential risks. Staff are regularly briefed on the content of the Risk Register and new actions and controls are added to the document accordingly.

## The Risk and Control Framework

ARB has in place a risk management strategy which is reviewed, updated and agreed by the Board annually. The strategy specifies how ARB identifies, assesses and manages risk that may impact on ARB's delivery of its strategic aims, priorities and annual business plan. The strategy has six principles underpinning ARB's approach and it acknowledges that, as a statutory body, ARB is naturally risk-averse. ARB generally works to minimise and control risk by taking an appropriate and proportionate approach to it.

ARB has a Risk Register in which risks faced by ARB are logged and tracked. The Risk Register is a key tool within ARB's Risk Management Framework. The Risk Register is reviewed at least monthly at management meetings. New risks are added and consideration is given to the residual level of risk, identified after controls have been applied. The level of risk is adjusted where appropriate and some risks are removed. Actions and controls are also reviewed and amended as necessary according to the level of risk. Staff are invited to discuss and raise risks at monthly team meetings in order to embed a culture of risk ownership. A report is also taken to the Board at each of its meetings as part of the Registrar's report on key risks.

In 2017 we revised the Risk Register. Each risk level is now quantified using the likelihood and significance method (ratings from 1-5). A gross score is calculated by multiplying the likelihood (a) and significance (b), and then adding the significance again ((a x b) + b = c). Controls are identified and actions put in place for each risk, and a revised risk rating applied accordingly using residual likelihood and significance, and the same method of calculation. The Risk Register also maps the risk appetite in relation to each particular risk. A Risk Owner is assigned to the risk.

The Audit Committee has considered the key risks and developed, along with the Registrar and management team, a rolling programme of internal audit reviews conducted by ARB's internal auditors. The Committee receives a report on the outcome of each review and monitors the implementation of any recommendations. In 2017, the internal audit programme covered Scheme of Decision Making, Insurance Arrangements and Contract Tendering and Procurement.

In 2017 ARB also carried out at Audit Committee a schedule of 'deep dives' into operational areas including Registration, Complaints, and the Prescription of Qualifications. The schedule will be continued in 2018, with deep dives into Title Regulation, Governance, Finance and Human Resources. The aim of these deep dives is to provide the Audit Committee with a greater understanding of the work each department undertakes and to understand how processes, risks and opportunities are managed at an operational level.

The Committee monitors the progress of actions following internal audit reviews at each meeting and reports to the Board through its minutes as well as by verbal updates given by the Chair of the Committee. In addition to the internal audit programme, the management team undertook a risk assurance mapping of the risk register and undertook to implement a series of recommendations and series of internal compliance reviews, including compliance reviews of the Prescribed Examination procedures and ARB/MHCLG Framework Agreement

## Information and Data Security

ARB is committed to ensuring personal data held by the organisation is held securely and used appropriately and in line with that Data Protection principles. The organisation operates a range of measures to help safeguard personal and other data including:

- A commitment to data quality and accuracy;

- A regularly reviewed and updated Retention & Destruction policy;
- A formal process for recording errors and omissions throughout the organisation, including procedural and data breaches. There were no significant data breaches during 2017 that required notification to the Information Commissioner;
- Data sharing agreements with those third parties with whom it is appropriate to share information;
- A "security shredding" contract with a trusted market leader;
- Industry-standard encryption of data for transfer and external storage;
- Regular information security training for staff;
- IT services policies and guidelines for staff;
- Statements on privacy, data protection, copyright and publishing;
- Compliance and monitoring tools for email, internet and telecommunication services and including social media;
- Physical security measures (including safe, access control systems and intruder alarm, CCTV recording equipment) both internally and at the perimeter;
- Off-site vaults and storage facilities with military-grade security for the storing of data
- ISO-certified destruction of information assets;
- Industry-standard firewall appliances to protect the organisation's private network from attack and intrusion; and
- Network penetration testing for the protection of the organisation's private network to be carried out annually and that testing includes the Remote Access system.
- In addition to this, ARB has been taking steps to ensure compliance with the General Data Protection Regulations when they come into force in May 2018.

## Risk Management Tools

Details of risk management tools are described in the sections above. In addition to those already mentioned, ARB also has in place:

- Appropriate insurance arrangements;
- Regular reviews of ARB's Staff Handbook and associated appendices;
- External advisers used to ensure health and safety compliance;
- A log of complaints received with regard to ARB's administrative processes and decisions;
- Error log for procedures within ARB;
- Assessment of risk resource and equality implications in Board and Committee papers for new or revised policies ;
- Horizon scanning of the organisation's risk landscape undertaken by staff and the Board
- Regular reviews of investment and reserves policies;

# Annual Report and Financial Statements 2017

- A regularly reviewed Whistleblowing policy and Fraud and Bribery prevention policies
- Staff training, including fire safety and information security training undertaken regularly;
- Regular reviews of operating procedures
- Ethos among staff of continuous improvement;
- A stringent budgeting process, linked to the annual Business Plan and three year forecasts;
- A Scheme of Delegated Authority, (Scheme of Decision Making) regularly reviewed and agreed by the Board;
- A financial procedures manual, regularly updated to reflect current practice
- Internal compliance reviews of the Architects Act and ARB/MHCLG Framework Agreement undertaken annually.

As Accounting Officer, I attend all Board meetings, internal Management Team meetings and Audit Committee meetings. I also regularly attend other Committee meetings and meetings of the Remuneration Committee, where it is appropriate for me to do so.

## Significant Risks in 2017

Key areas of risk for 2017 were the uncertainty created by the UK's pending withdrawal from the European Union, managing the outcomes of the Periodic Review and the strain on staff capacity to maintain an effective discharge of duties.

The 2017 impacts of withdrawing from the EU were largely in relation to the increased resource demands of scoping available information, responding to stakeholder and Government information requests and planning for the change.

The Periodic Review Report was published three years from the announcement of the intention to review, during which time ARB experienced a sustained period of uncertainty where the future of the organisation was unknown. Once the outcomes of the Report were known in March 2017, ARB experienced further instability at Board level, where structure and membership is expected to change by the end of 2018, and needed to deploy additional resources liaising with stakeholders and revising our priorities to ensure we deliver on the Report's recommendations.

A priority for the year was managing these significant events alongside a general overall increase in workload across the organisation, ensuring there was organisational capacity to continue to deliver our statutory role and that ARB remained a focussed and effective regulator. The resource implications of both risks were partly managed by increasing ARB's headcount in key areas, alongside the flexible and committed approach of the staff team. With this mitigation, the organisation managed to continue to deliver its statutory functions in 2017 during a period of increased service requirements. Undeterred by the imminent change in membership, the Board focused on the priorities of the organisation, providing leadership and oversight during the year and for the year ahead.

Despite there being no legal challenges brought against ARB in 2017, as a regulator there continues to be an ongoing risk of judicial review or legal action in respect of decisions taken by the Board, the Registrar, or the Professional Conduct Committee. Although all regulators may expect such challenges, actions can be costly and increase reputational risk. ARB will therefore continue to learn from all challenges and their outcomes, and regularly review its insurance arrangements to ensure that they are adequate, proportionate and appropriate.

## Conclusions

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of the management team within ARB who have responsibility for the development and maintenance of the internal control framework and comments made by both the internal and external auditors in their management letter and other reports.

Throughout the year the Audit Committee has continued to review the management of ARB's risks, the work and outcomes of the completed internal and external audits, the timing for the implementation of recommendations made by the auditors and my review of the effectiveness of the system of internal control. In 2017 we carried out a schedule of 'deep dives' at Audit Committee meetings into several operational areas including Registration, Complaints, and the Prescription of Qualifications and as outlined above, a programme of deep dives is scheduled for 2018.

The tools used in ARB's risk management are outlined in the risk and control framework above. I have identified no significant on-going weaknesses in the systems of internal controls, and welcome the continuing programme of internal audit and ARB's commitment to continuously assess its procedures for quality, efficiency, and value for money.



**Karen Holmes, Registrar and Chief Executive (Accounting Officer)**

11/05/2018

## Remuneration and Staff Report

The Remuneration Committee was established in July 2009 following a review of ARB's Governance and Committee structure. The purpose of the Committee is to ensure that the remuneration and reward package offered to all staff, Board members and advisers is reviewed and amended appropriately.

Regular external benchmarking work is undertaken to ensure Board member attendance allowance rates and staff salaries remain in line with comparable organisations. An external benchmarking review took place during 2017 and the daily attendance allowance was increased to reflect the report's findings.

From January to March 2017 the Remuneration Committee was made up of 3 Board members; Alan Jago (Chair), Peter Coe and Richard Parnaby. From May 2017 the Committee comprised of Jagtar Singh, (Chair), Nabila Zulfiqar and Richard Parnaby.

The Committee produces an annual report of its activities which is presented to the Board. This can be found at <http://www.arb.org.uk/about-arb/arbs-board-committees/board-meetings/board-meetings-2017/february-agenda-16-02-2017/>

ARB seeks to fairly remunerate employees, to motivate staff and to attract and maintain good quality staff. Staff commitment and good levels of engagement helps the organisation to deliver its objectives and business plan.

The composition of ARB staff and numbers at the end of the financial year was:

	2017		2016	
	Male	Female	Male	Female
Registrar & Chief Executive	0	1	0	1
Permanent Staff	7	14	7	10
Fixed Term / Temporary	0	1	1	2
<b>TOTAL Split</b>	<b>7</b>	<b>16</b>	<b>8</b>	<b>13</b>
TOTAL Employees	23		21	

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## ARB's Staff Policies

ARB's aim is to have a workforce that is truly representative of all sections of society where each employee feels respected and able to give their best. Selection for employment, promotion, training or any other benefit is on the basis of aptitude and ability. We help and encourage all our employees to develop their full potential, and their talents and resources are fully utilised to maximise the efficiency of the organisation.

In order to achieve this, all job descriptions are carefully drafted to ensure that the skills and knowledge reflect the job requirements and do not place unnecessary restrictions on applicants. Applicants are invited to complete an Equalities Monitoring form at the application stage, which is received separately to the application form and is not available to the short-listing panel. All applicants are invited to provide details of any disability in order that reasonable adjustments can be made for the selection process. Equality Monitoring forms are analysed in respect to steps that can be taken to further equality and inclusion.

ARB continues to be supportive of staff with disabilities and appreciates the value that all employees bring to their roles. Regular one-to-one meetings provide the opportunity to identify the need for adjustments for disabled staff in employment as well as reviewing those adjustments to ensure they continue to be relevant.

Management takes proactive steps to promote a culture that understands, accepts and supports both physical and mental disabilities in the workplace. Incorporated in the annual training plan, equalities training is one of the ways that management seeks to re-enforce diversity. HR policies and practices further support the employment of staff with disabilities. The wellbeing of staff is supported by the range of benefits offered by the organisation as well as providing training on mental health and wellbeing.

Staff training needs are identified at their annual reviews when development needs are assessed and prioritised. Training opportunities are prioritised on the basis of relevance to an individual's role and their career path. Any training or development interventions for staff with disabilities are prioritised. All internal applicants meeting the essential criteria are interviewed and any relevant adjustments made. All internal applicants are given feedback on the selection process and any development needs incorporated into personal development plans.

## Remuneration

The Remuneration Committee, annually benchmarks rates of pay awards given by our competitors as well as looking at employment market trends. The Committee also give consideration to Governments expectations on public sector pay awards. The pay award given to all staff for 2017 was 1%, which was in line with Government expectations. The Committee can also make non-consolidated incentive payments to staff. This is dependent on delivery of the Business Plan and a decision is taken each year. During 2017, there were no changes to ARB's remuneration policy.

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid employee in their organisation and the median remuneration of the organisation's workforce. Total remuneration includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include severance payment or employer pension contributions.

The mid-banded remuneration of the highest paid employee of ARB in the financial year end 2017 was £120,660 (2016, £118,000). This is 3.26 times (2016 3.26 times) the median remuneration of the workforce, which was £37,045 (2016, £36,213).

Note 6 of the Financial Statements notes provides details of the highest paid members of staff and the contributions paid by ARB into their Defined Contribution (DC) pension fund during 2017.

## Staff Turnover

Staff turnover for 2017 was 21% (14% 2016). The figure for ARB staff turnover is higher than the national average across all sectors. However, with such a low number of staff, any departures and recruitment has a significant statistical impact.

## Staff Absence Information

The number of days lost through sickness absence for the 23.8 full time employees was 82.5 days (56.5 in 2016). This is equivalent to 3.5 days per employee (2.8 in 2016)

## Staff Pension Arrangements

ARB provides its employees with access to a contributory Group Personal Pension Scheme (otherwise known as a Defined Contribution – DC – arrangement). ARB's liability for this arrangement ceases when employment comes to an end.

This arrangement meets all statutory requirements for employment law relating to employer sponsored pension arrangements.

Additionally, ARB has a closed (Paid Up) Occupational Money Purchase scheme (which is also a defined contribution arrangement). There are, however, no contributions being made to this scheme and nor have there been for several years. There are no liabilities for future contributions to this scheme.

Note 6 of the Financial Statements notes provides details of the highest paid members of staff and the contributions paid by ARB into the Group Personal Pension Scheme during 2017.

## Professional and Specialist Services

ARB often needs day-to-day specialist advice such as for the interpretation of EU law, employment advice, IT, insurance and legal challenges. Due to the broad ranging spectrum of advice required and to use our resources as efficiently as possible, we procure such services from a small number of suppliers, as and when required. Further information on this spend can be found under note 10 of the Financial Statements.

## Board Remuneration Report

The Remuneration Committee each year considers the remuneration of Board members, panel members and advisers, including travel and subsistence payments on an annual basis. The Board, based on a recommendation from the Remuneration Committee, takes the final decision.

Board members received an attendance allowance of £375 per day for attending Board meetings and participating in other Board business and Committees.

The total attendance and reading allowances paid during 2017 were £96,221 (2016: £66,978), which includes allowances paid to Board members for their roles as members of the Board and other Committees and meetings.

Board members are also able to claim travel and subsistence expenses. Expenses totalling £23,382 (2016: £17,008) were claimed during the year. Further details can be found on page 33 of this report.

A summary of Board and Committee attendance allowance and expenses paid in 2017:

Amount	Number of Board Members*
Less than £1k	1
£1k to £5k	4
£5k to £10k	10
£10k and above	3

\*Three members of the Board retired 31 March 2017.

# Annual Report and Financial Statements 2017

Signed by:



**Karen Holmes, Registrar and Chief Executive (Accounting Officer)**

11/05/2018

## INDEPENDENT AUDITOR'S REPORT TO THE BOARD MEMBERS OF THE ARCHITECTS REGISTRATION BOARD

### Opinion

We have audited the financial statements of Architects Registration Board (ARB) for the year ended 31 December 2017 which comprise Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash Flows, Statement of Changes in Reserves and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the 2017/18 Government Financial Reporting Manual (FRoM) which applies International Financial Reporting Standards (IFRSs) as adopted by the European Union.

This report is made solely to the Board Members of the ARB, as a body, under the Architects Act 1997. Our audit work has been undertaken so that we might state to the Board Members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the ARB and the Board Members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the ARB's affairs as at 31 December 2017 and of its surplus for the year then ended;
- have been properly prepared in accordance with the Government Financial Reporting Manual (FRoM).

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the ARB in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Board's and Accounting Officer's' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or

- the Board's and Accounting Officer have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about ARB's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### Other information

The Board and Accounting Officer are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

## ARCHITECTS REGISTRATION BOARD STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2017

### Responsibilities of Board and Accounting Officer

As explained more fully in the Board's and Accounting Officer's responsibilities statement set out on page 9, the Board and Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board and Accounting Officer are responsible for assessing the ARB's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate ARB or to cease operations, or have no realistic alternative but to do so.

### Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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*Crowe Clark Whitehill LLP*

## Crowe Clark Whitehill LLP

Statutory Auditor  
St Bride's House  
Salisbury Square  
London  
EC4Y 8EH

23 May 2018

	Notes	2017	2016
		£	£
<b>INCOME</b>			
Registration and retention fees	3	4,386,211	4,240,817
Prescribed examinations		221,119	209,768
Penalties and sundry receipts	4	17,516	22,988
<b>Total operating income</b>		<b>4,624,846</b>	<b>4,473,573</b>
<b>EXPENDITURE</b>			
Employee salaries and benefits	6	1,524,517	1,368,788
Office costs	7	640,259	621,058
		<b>2,164,776</b>	<b>1,989,846</b>
Printing and records	8	37,574	53,693
IT charges	9	446,975	395,369
Board allowances and expenses		97,298	74,717
Legal and other professional charges	10	901,130	999,551
Other administrative expenses	11	342,546	292,255
		<b>1,825,523</b>	<b>1,815,585</b>

Total operating expenditure		<b>3,990,299</b>	<b>3,805,431</b>
<b>OPERATIONAL SURPLUS FOR THE YEAR</b>		<b>634,547</b>	<b>668,142</b>
Investment income	5	<b>115,730</b>	<b>116,179</b>
<b>SURPLUS FOR THE YEAR BEFORE TAXATION</b>		<b>750,277</b>	<b>784,321</b>
Taxation	19	<b>(24,720)</b>	<b>(80,188)</b>
<b>RETAINED SURPLUS FOR THE YEAR</b>		<b>725,557</b>	<b>704,133</b>
<b>OTHER COMPREHENSIVE NET INCOME</b>			
Net gains on investments	14	<b>43,062</b>	<b>375,934</b>
<b>TOTAL COMPREHENSIVE NET INCOME</b>		<b>768,619</b>	<b>1,080,067</b>

All activities are continuing.

# Annual Report and Financial Statements 2017

## ARCHITECTS REGISTRATION BOARD STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2017

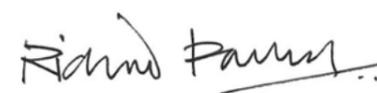
	Notes	2017 £	2016 £
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	12	98,955	169,256
Intangible assets	13	179,766	132,599
Investments	14	<u>6,220,051</u>	<u>5,716,910</u>
<b>Total non-current assets</b>		<b>6,498,772</b>	<b>6,018,765</b>
<b>CURRENT ASSETS</b>			
Trade and other receivables	15	514,220	496,480
Cash and cash equivalents		<u>3,279,545</u>	<u>2,869,748</u>
<b>Total current assets</b>		<b>3,793,765</b>	<b>3,366,228</b>
<b>TOTAL ASSETS</b>		<b><u>10,292,537</u></b>	<b><u>9,384,993</u></b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	16	354,058	381,809
Deferred income		<u>4,188,754</u>	<u>4,022,078</u>
<b>Total current liabilities</b>		<b><u>4,542,812</u></b>	<b><u>4,403,887</u></b>
<b>ASSETS LESS LIABILITIES</b>		<b><u>5,749,725</u></b>	<b><u>4,981,106</u></b>
<b>RESERVES</b>			
Designated reserve		459,000	103,000

MHCLG Closure reserve	3,629,000	0
Operational reserve	1,443,316	4,609,026
Revaluation reserve	<u>218,409</u>	<u>269,080</u>
<b>TOTAL RESERVES</b>	<b><u>5,749,725</u></b>	<b><u>4,981,106</u></b>

These financial statements were approved by the Board and Accounting Officer and authorised for issue on



} Board member (Chair)



} Board member (Vice Chair)



} Accounting officer (Chief Executive and Registrar)

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## ARCHITECTS REGISTRATION BOARD STATEMENT OF CASH FLOWS AT 31 DECEMBER 2017

	2017	2016
£	£	£
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Operational surplus for the year	634,547	668,142
<b>Adjustments for non-cash transactions</b>		
Depreciation and amortisation	172,209	180,612
Loss on disposal of intangibles	38,630	-
<b>Changes in operating assets and liabilities</b>		
(Increase) in trade and other receivables	(17,740)	(311,331)
Increase in trade, other payables and deferred income	<u>138,925</u>	<u>446,981</u>
<b>Net cash from operating activities</b>	<u><b>332,024</b></u>	<u><b>316,262</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividends and interest from investments	115,730	116,179
Proceeds from the sale of investments	1,758,756	2,288,133
Purchase of investments	(2,218,835)	(3,491,208)
Purchases of property, plant and equipment and intangible assets	(187,705)	(146,336)
<b>Net cash decreases from investing activities</b>	<u><b>(532,054)</b></u>	<u><b>(1,233,232)</b></u>
<b>Taxation</b>	<u><b>(24,720)</b></u>	<u><b>(80,188)</b></u>

Net increase / (decrease) in cash and cash equivalents	409,797	(329,016)
Cash and cash equivalents at the start of the year	<u>2,869,748</u>	<u>3,198,764</u>
<b>Cash and cash equivalents at the end of the year</b>	<u><b>3,279,545</b></u>	<u><b>2,869,748</b></u>

All cash is represented by cash in hand

## ARCHITECTS REGISTRATION BOARD STATEMENT OF CHANGES IN RESERVE AT 31 DECEMBER 2017

	At 1 January 2017	Movement in year	Transfers between reserves	At 31 December 2017
	£	£	£	£
Operational reserve	4,609,026	795,290	(3,961,000)	<b>1,443,316</b>
MHCLG closure reserve	-	-	3,629,000	<b>3,629,000</b>
<b>Designated reserves</b>				
IT renewal	42,000	7,000	-	<b>49,000</b>
Election	20,000	10,000	-	<b>30,000</b>
Maintenance	41,000	7,000	-	<b>48,000</b>
Deferred projects	-	-	332,000	<b>332,000</b>
Revaluation reserve	269,080	(50,671)	-	<b>218,409</b>
<b>Total</b>	4,981,106	768,619	-	<b>5,749,725</b>

# Annual Report and Financial Statements 2017

## Operational reserve

The Board's reserves policy is to hold operating reserves sufficient to ensure that the ARB is able to continue in operation for the foreseeable future whilst retaining as a minimum the closure reserve required under the framework agreement with MHCLG.

The level of reserves is set taking into the risks faced by the ARB in terms of a decline in income or increase in expenditure and the time that would be taken to return the ARB to a balanced budget by reducing costs or adjusting the registration fee. This is currently set at four months operating costs or £1,383,300.

## Closure reserve

The framework agreement with MHCLG requires the ARB to maintain its assets at a sufficient level to cover its liabilities if ARB were to be wound up. At 31 December 2017 this is estimated to be £3,629,000. The major elements of this reserve relate to:

- a significant shortfall in income in the period following notice of closure by the MHCLG resulting from an inability to collect all registration fees due during that period; and
- redundancies, lease termination costs and costs associated with winding up existing regulatory cases.

## Designated reserve

At 31 December 2017, designated reserves represented the IT renewal fund (£49,000 - to cover the cost of ensuring that the organisation's computer systems remain up to date and efficient), the Election Fund (£30,000 - set up to cover the cost of the triennial election of ARB Board) and the Maintenance Reserve (£49,000 - set up to cover the regular cost of redecoration of the offices in accordance with the terms of the lease).

In addition a further £332,000 has been designed for projects that were budgeted for in prior years but where these projects are now expected to be completed in 2018 or early 2019. Major element of this reserve relate to development of IT systems.

## Revaluation reserve

At the 31 December 2017, the revaluation reserve represented the closing market value less historic cost value of ARBs investments (accumulated unrealised gains).

## ARCHITECTS REGISTRATION BOARD NOTES TO THE FINANCIAL STATEMENTS AT 31 DECEMBER 2017

### 1. GENERAL INFORMATION

The Architects Registration Board is incorporated under the Architects Act 1997. ARB's principal address is shown on page 6 ARB's principal activity is acting as the statutory regulator for architects in the UK. The ARB is an arms-length body overseen by the Ministry of Housing, Communities and Local Government (MHCLG).

### 2. ACCOUNTING POLICIES

#### a) Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted and interpreted by the 2017-18 Government Financial Reporting Manual (FReM) issued by HM Treasury.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the ARB for the purpose of giving a true and fair view has been selected. The particular policies adopted by the ARB are described below. They have been applied consistently in dealing with items that are considered material to the financial statements.

These financial statements have been prepared under the historical cost convention modified to account for the revaluation of investments. Figures are presented in pounds sterling, which is the functional currency of the ARB and rounded to the nearest pound. Transactions denominated in foreign currencies are translated into sterling at the exchange rate at the dates of the transactions.

After making enquiries, the ARB has a reasonable expectation that the organisation will be able to continue its activities for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the financial statements.

#### b) Impending application of newly issued accounting standards not yet effective

The ARB discloses wherever it has not yet applied a new accounting standard, and provides any information relevant to assessing the possible impact that the initial application of the new standard would have on the financial statements. The following standards relevant to ARB have been issued but are not yet effective:

- IFRS 9 Financial Instruments (effective from 1 January 2018);
- IFRS 15 Revenue from Contracts with customers (effective from 1 January 2018);
- IFRS 16 Leases (effective from 1 January 2019).

ARB will carry out a review to assess whether it is anticipated that there will be any material impacts upon the financial statements following the introduction of these standards which will be adopted once we are required to do so by the FReM.

#### c) Staff costs

In accordance with IAS 19 Employee Benefits, all short-term staff costs payable at the year-end, which will be paid within one year from the date of reporting, are recognised in the Statement of Comprehensive Net Expenditure.

#### d) Pensions

The ARB operates a defined contribution pension scheme where the ARB pays established annual contribution rates into a separate fund. The amount of pension benefit that a member receives in retirement is dependent on the performance of the fund. The ARB recognises the cost of these contributions in the Statement of Comprehensive Income when they fall due. There are no further payment obligations for the ARB once the contributions have been paid.

#### a) Leases

Payments in relation to operating leases (excluding costs for services such as insurance and maintenance) are charged to the Statement of Comprehensive Income on a straight-line basis.

#### f) Value Added Tax on purchases

The ARB is unable to recover the VAT it pays on its expenditure due to the VAT status of its suppliers. Therefore, all

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expenditure disclosed in the financial statements includes any VAT paid.

## g) Income

Income is recognised to the extent that it is probable that the economic benefits will flow to ARB and the revenue can be reliably measured. Income is measured at the fair value of the consideration received. Income arising from the provision of services is recognised when and to the extent that ARB obtains the right to consideration in exchange for the performance of its contractual obligations.

Retention fees are recognised in the period over which they entitle an individual to be listed on the Register of Architects. Registration, penalties and prescribed examination fees are recognised in the year in which the registration or prescribed examination takes place or that the penalty becomes due. Income from investments and cash is recognised in the period in which the ARB becomes entitled to the income.

## h) Corporation tax

The ARB is liable for tax on income earned and gains on investments during the year. The tax expense is recognised in the Statement of Comprehensive Income.

## i) Plant, equipment and intangible assets

Expenditure of £500 or more on plant and equipment or intangible assets is capitalised where it is expected to bring benefit over future years. On initial recognition, assets are measured at cost and include all costs directly attributable to bringing them into working condition.

All non-current assets are reviewed annually for impairment. Plant and equipment is depreciated, and intangible assets amortised from the time the item comes into operational use, at rates calculated to write them down to the estimated residual value on a straight-line basis over their estimated useful lives. The following annual rates are used:

Leasehold improvements	- over 10 years
Office furniture and equipment	- over 5 years
IT equipment	- over 3 years
IT development	- over 3 years

## j) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with maturity dates of three months or less.

## k) Investments

Investments comprise holdings of a number of Gilts (UK Sovereign debt), Corporate Bonds and Equity funds managed by separate investment managers. The fair value of the investments is based on the closing market value at the accounting date. Gains and losses arising from changes in market value are included within the Statement of Comprehensive Income.

## l) Trade and other payables

Trade payables are obligations on the basis of normal credit terms and do not bear interest. They are categorised as financial liabilities at amortised cost.

## 3. REVENUE - REGISTRATION AND RETENTION FEES

	2017	2016
	£	£
Registration fees	128,780	137,606
Retention fees	<u>4,257,431</u>	<u>4,103,211</u>
	<u>4,386,211</u>	<u>4,240,817</u>

## 4. REVENUE - PENALTIES AND SUNDRY RECEIPTS

	£	£
Penalties paid on reinstatement to the Register	9,400	10,990
Sundry receipts	<u>8,116</u>	<u>11,998</u>
	<u>17,516</u>	<u>22,988</u>

## 5. INVESTMENT INCOME

Income from investment portfolio	115,305	105,483
Interest on bank deposits	<u>425</u>	<u>10,696</u>
	<u>115,730</u>	<u>116,179</u>

## 6. STAFF COSTS

Wages and salaries	1,103,441	985,805
Social security	127,381	116,496
Other pension costs	116,541	109,669
Medical and permanent health insurance	34,476	30,253
Recruitment costs	19,843	29,152
Staff training	49,316	16,176
Temporary staff	<u>73,519</u>	<u>81,237</u>
	<u>1,524,517</u>	<u>1,368,788</u>

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	No.	No.
Staff numbers (average full time equivalent permanent staff)	<u>24</u>	<u>21</u>

Salaries in respect of those employees paid over £62k were within the following ranges:

	No.	No.
£60,000 - £65,000	1	0
£70,000 - £75,000	1	0
£75,000 - £80,000	0	3
£80,000 - £85,000	2	0
£115,000 - £119,999	0	1
£120,000 - £125,000	1	0

Payments were made into defined contribution pension schemes totalling **£52,541** (2016: £43,965) in respect of these employees.

7. OFFICE COSTS	2017	2016
	£	£
Rent & Service Charges	<b>287,287</b>	282,715
Rates	<b>117,698</b>	114,776
Building related costs	<b>51,195</b>	65,886
Insurance	<b>12,314</b>	7,955
Electricity	<b>24,095</b>	14,761
Office cleaning	<b>28,403</b>	24,326
Postage and telephone	<b>46,250</b>	44,407
Maintenance of office equipment	<b>15,521</b>	12,124
Depreciation: leasehold improvements	<b>51,732</b>	51,732
Depreciation: furniture and equipment	<b>5,764</b>	2,376
	<u><b>640,259</b></u>	<u>621,058</u>

## 8. PRINTING AND RECORDS

Printing	<b>31,116</b>	46,265
Stationery	<b>5,753</b>	6,303
Journals and newspapers	<b>705</b>	1,125
	<u><b>37,574</b></u>	<u>53,693</u>

## 9. IT CHARGES

Depreciation and amortisation: IT equipment and development	<b>114,713</b>	126,506
IT costs	<b>332,262</b>	268,863
	<u><b>446,975</b></u>	<u>395,369</u>

## 10. LEGAL AND OTHER PROFESSIONAL CHARGES

All amounts stated above include VAT

Remuneration to external auditors:

External audit services	<b>19,128</b>	19,080
Other services - corporation tax compliance advice	<b>1,290</b>	1,260
- employment tax advice	<b>23,724</b>	828
- Board and Committee benchmarking	<b>11,700</b>	0
- risk management	<b>1,128</b>	0

Legal expenses and professional charges – regulation	<b>566,020</b>	724,541
General legal, specialist advice and insurance	<b>278,140</b>	253,842
	<u><b>901,130</b></u>	<u>999,551</u>

# Annual Report and Financial Statements 2017

11. OTHER ADMINISTRATION EXPENSES	2017	2016
	£	£
Bank charges	47,940	43,186
Staff travel expenses	19,889	14,659
Prescribed examination	126,642	92,224
Prescription & Qualifications	67,314	56,113
ACE & ENACA	40,077	37,610
Public and professional awareness	29,792	36,176
Sundry expenditure	10,892	12,287
	<u>342,546</u>	<u>292,255</u>

## 12. PLANT AND EQUIPMENT

	Leasehold improvements	Office furniture & equipment		
	£	£	£	£
<b>Cost</b>				
At 1 January 2017	517,325	111,786	311,394	940,505
Additions	-	18,776	15,402	34,178
Disposals	-	(4,543)	(14,598)	(19,141)
<b>At 31 December 2017</b>	<u>517,325</u>	<u>126,019</u>	<u>312,198</u>	<u>955,542</u>
<b>Accumulated depreciation</b>				
At 1 January 2017	413,860	108,035	249,354	771,249
Charge for the year	51,732	5,764	46,983	104,479
Disposals	-	(4,543)	(14,598)	(19,141)
<b>At 31 December 2017</b>	<u>465,592</u>	<u>109,256</u>	<u>281,739</u>	<u>856,587</u>
<b>Carrying amount</b>				
<b>At 31 December 2017</b>	<u>51,733</u>	<u>16,763</u>	<u>30,459</u>	<u>98,955</u>
<i>At 31 December 2016</i>	<u>103,465</u>	<u>3,751</u>	<u>62,040</u>	<u>169,256</u>

## 13. INTANGIBLE ASSETS

Intangible assets include capitalised IT development. £109,872 (2016: £46,314) relates to Sharepoint development which is expected to go live during 2018 and will be amortised over three years.

	Total
	£
<b>Cost</b>	
At 1 January 2017	504,837
Additions	153,527
Disposals	(54,330)
<b>At 31 December 2017</b>	<u>604,034</u>
<b>Accumulated depreciation</b>	
At 1 January 2017	372,238
Charge for the year	67,730
Disposals	(15,700)
<b>At 31 December 2017</b>	<u>424,268</u>
<b>Carrying amount</b>	
<b>At 31 December 2017</b>	<u>179,766</u>
<i>At 31 December 2016</i>	<u>132,599</u>

## 14. INVESTMENTS

	2017	2016
	£	£
<b>At market value</b>		
At start of year	5,716,910	4,137,901
Additions	2,218,835	3,491,208
Disposal proceeds	(1,758,756)	(2,288,133)
Net gains on investments	43,062	375,934
<b>At end of year</b>	<u>6,220,051</u>	<u>5,716,910</u>
<b>Cost at end of year</b>	<u>6,001,642</u>	<u>5,447,830</u>

All investments are managed by Quilter Cheviot and are invested in a mixture of Gilts (UK Sovereign debt), Corporate Bonds and Equity funds.

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## 15. TRADE AND OTHER RECEIVABLES

	£	£
Other receivables	376,551	339,209
Prepayments	137,669	157,271
Corporation Tax	-	-
	<u>514,220</u>	<u>496,480</u>

£356,275 (2016: £321,244) in other receivables relates to credit card payments taken but not transferred over to ARB bank account by the merchant at the year end. All monies received by merchants was received in ARBs bank account in January 2018. There are no impaired financial assets.

## 16. TRADE AND OTHER PAYABLES

	£	£
Trade payables	47,680	41,527
Corporation tax	18,840	60,621
Other taxation and social security	64,469	60,009
Accruals	<u>223,069</u>	<u>219,652</u>
	<u>354,058</u>	<u>381,809</u>

It is ARB's policy to pay purchase invoices within 30 days of receipt.

## 17. PENSIONS

The Staff Pension Scheme is a defined contribution scheme. The cost of contributions during the period was £116,541 (2016: £109,669). There are no outstanding or prepaid contributions at the balance sheet date. The assets of the scheme are held separately from those of the Architects Registration Board in an independently administered fund.

## 18. LEASING COMMITMENTS

The Architects Registration Board is committed to making the following minimum annual payments under operating leases, which expire:

	Land and buildings	
	2017	2016
	£	£
Between one and five years	332,379	598,282

The Architects Registration Board is committed to the lease on its Weymouth Street premises until April 2019.

## 19. TAX EXPENSE

ARB is a mutual trading organisation and is therefore taxed only on outside sources of income. Historically this has been investment income and gains. Corporation tax was calculated at 20% / 19% of investment income and gains on investments during the period.

## 20. RELATED PARTY TRANSACTIONS - ARCHITECTS REGISTRATION BOARD STAFF BENEVOLENT FUND

The Architects Registration Board is able to appoint the trustees of the Architects Registration Board Staff Benevolent Fund. At 31 December 2017 all trustees of the Fund were members of the Board of the Architects Registration Board. The cost of the Fund's audit together with other administration expenses is met by the Architects Registration Board.

## 21. CURRENCY RISK

ARB does not hold balances in foreign currencies. All fees payable are required to be settled in UK sterling and so ARB is not exposed to current risk.

## 22. LIQUIDITY AND CREDIT RISK

ARB aims to maintain a minimum of four months operating costs as a reserve, and reserves as at 31 December 2017 were in excess of this level. As stated above, the majority of ARB's income is received at the start or before the start of the financial year. ARB has no borrowings (or legal right to borrow) and monies required for short-term working capital requirements are held in accounts with no significant restrictions on access. ARB does not consider that there is a significant exposure to liquidity or credit risk.

## 23. INTEREST RATE RISK

Registrants pay annual fees at the start or prior to the start of each financial year. In addition ARB has reserves equating to around four months' annual expenditure. Surplus funds are held as follows to maximise returns:

Funds not required for short-term working capital are held in Gilts (UK Sovereign debt), Corporate Bonds and Equity funds. The return for the last year is at 2.1% versus the benchmark's 3.3%. It is a greater return than the previous year and significantly higher than funds on deposit would have achieved.

Business reserve - There is a sweeping system in operation from ARB's current account to the business reserve in order to maximise interest earned on monies needed for short-term working capital requirements.

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## ARCHITECTS REGISTRATION BOARD BOARD ALLOWANCES AND EXPENSES FOR THE YEAR ENDED 31 DECEMBER 2017

### Board Members Expenses and Meeting Attendance

The costs below include attendance allowances and expenses relating to members of the Board who are also members of other Committees for their attendance at those meetings.

#### Expenses

Board Member	Attendance Allowance	Reading Allowance	Train/Tube Travel	Air	Car Mileage/ Parking	Taxi	Other	Hotel	Subsistence	TOTAL
	£	£	£	£	£	£	£	£	£	£
Carol Bernstein	5,375.00	3,700.00	153.40			35.38			4.60	9,268.38
Jason Bill	4,112.00	900.00	693.75		811.30			466.75	172.58	7,156.38
Peter Coe	675.00	150.00								825.00
Caroline Corby	5,000.00	950.00								5,950.00
James Grierson	4,125.00	525.00	801.55		251.10	14.74			112.34	5,829.73
Alice Hynes	6,011.00	1,250.00	893.75		76.50	8.00		180.00		8,419.25
Alan Jago	3,000.00	1,650.00	190.95						7.80	4,848.75
Ros Levenson	3,949.00	950.00			90.65	57.50				5,047.15
Guy Maxwell	4,687.00	1,200.00	2,443.11					2,312.35	150.95	10,793.41
Suzanne McCarthy	3,912.00	1,000.00					75.00			4,987.00
Richard Parnaby	3,136.00	625.00	988.10			33.17		990.00	48.30	5,820.57
Sue Roaf	3,437.00	950.00	562.05		4.00	34.20		360.00	60.00	5,407.25
Jagtar Singh	4,550.00	625.00	196.20		691.70	5.00		720.00		6,787.90
Danna Walker	2,474.00	600.00								3,074.00
Susan Ware	4,562.00									4,562.00
Neil Watts	1,750.00	1,200.00	310.75		19.40		2,500.00	99.13	126.00	6,005.28
Alex Wright	5,624.00	5,950.00	1,831.85					180.00	112.54	13,698.39
Nabila Zulfiqar	6,404.50	1,212.50	2,692.00		259.20		7.25	360.00	187.43	11,122.88
<b>TOTAL</b>	<b>72,783.50</b>	<b>23,437.50</b>	<b>11,757.46</b>	<b>-</b>	<b>2,203.85</b>	<b>187.99</b>	<b>2,582.25</b>	<b>5,668.23</b>	<b>982.54</b>	<b>119,603.32</b>

#### Attendance

Board Member	Board Meetings	Additional Board Days	Prescription Committee	Remuneration Committee	Audit Committee	Investigations Oversight Committee
Carol Bernstein	(5)4	(3)2	(10) 9		(4) 4	
Jason Bill	(5)5	(3)2			(4) 4	
Peter Coe (retired 31/03/17)	(1)1	(0)				
Caroline Corby (from 01/04/17)	(4)4	(3)3	(6) 5			
James Grierson (from 01/04/17)	(4)4	(3)3				(2) 2
Alice Hynes (from 01/04/17)	(4)4	(3)3	(6) 5			
Alan Jago (retired 31/03/17)	(1) 1	(0)	(4) 9			
Ros Levenson	(5)5	(3)2			(4) 4	(2) 2
Guy Maxwell	(5)5	(3)2	(10) 8			
Suzanne McCarthy	(5)5	(3)3			(4) 4	
Richard Parnaby	(5)5	(3)2		(3) 3		
Sue Roaf	(5)5	(3)3			(4) 4	
Jagtar Singh	(5)5	(3)3		(3) 3		(1) 1
Danna Walker	(5)5	(3)3				(3) 3
Susan Ware	(5)5	(3)2	(10) 9			
Neil Watts (retired 31/03/17)	(1)1	(0)	(4) 4			
Alex Wright	(5)4	(3)2	(10) 10			
Nabila Zulfiqar	(5)5	(3)3		(3) 3		(1) 1

(Actual number of meetings held) compared with actual meetings attended

Notes:

- More than one meeting may occur during a day, in which case the amount charged will not reflect the number of meetings
- Some members do not charge the full daily rate for meetings
- Board members attend other meetings on ARB business – such as appraisals, induction sessions and visits for new members
- Committee memberships changed during the year as a result of new Board members joining



**Architects  
Registration  
Board**

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