



2016 Annual Report

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Joint Message from the Chair and the Registrar and Chief Executive

2016 saw more demand from people wishing to join the Register with our numbers reaching over 38,500 by the end of the year.

There were also changes in terms of Board elections and appointments, as well as an increase in the work of the Professional Conduct Committee caseload.

Board level change

In 2016 we saw change in both the membership and leadership of the ARB Board. Beatrice Fraenkel completed her eight-year tenure as a Board Member, stepping down from the position of Chair, a role in which she was held in high regard by both her Board colleagues and the staff team.

Following an election, Beatrice was succeeded by Peter Coe, a longstanding Board Member with substantial experience in the sector. Architect Richard Parnaby, was re-elected as Vice-Chair, providing the organisation with support during the transition period.

Additionally, we said farewell to John Assael, Ruth Brennan, Andrew Mortimer and Myra Kinghorn, whose terms came to an end in March 2016. We thank them again for their hard work and assistance during their time on the Board.

Their commitment and support led to notable improvements in the way we operate as an organisation.

At the same time we welcomed new members - architects Jason Bill, Guy Maxwell, Sue Roaf and Danna Walker were all elected for the first time by the profession, and lay members Carol Bernstein, Suzanne McCarthy and Jagtar Singh were appointed by the Privy Council.

The new members have already made a significant contribution to the Board's work, bringing fresh perspectives and experience that have informed our discussions and decision-making.

You can read more about our Board membership in the governance section of this report.

2507

New Admissions to the Register of Architects

A growing Register

By the end of 2016 the Register stood at 38,511, up 4% from the 2015 (36,932), a similar increase to the previous year's growth.

There were 2,507 new admissions to the Register, an increase of 10% from 2015. Of these, 1,249 (almost 50%) were admitted through the UK route and 1,232 (49%) were admitted through all EU routes.

The remaining 26 people, 1% of new admissions, were admitted through the prescribed exam route. Our work in relation to the prescription of qualifications was broadly comparable with 2015.

During 2016, the Board renewed the prescription of 21 qualifications offered by nine institutions, a similar number of existing and new courses were awarded prescription as in the previous year.

Professional Conduct trends

Our professional standards function saw a slight increase in the number of complaints received, up from 157 in 2015 to 166 in 2016.

The number of Professional Conduct Case (PCC) hearings increased from 24 in 2015 to 31 in 2016.

A notable change in 2016 was seen in the increased number of days taken up in hearings, up from 42 days in 2015 to 77 in 2016, an 83% increase.

This can be attributed in part to architects being far more involved in the regulatory process and robustly defending cases, including an increase in the use of legal representation.

There were also a number of complex cases during the year.

You can read more about the cases in the Annual Report from the Chair of the Professional Conduct Committee.

Wider context

Throughout 2016 we continued to fulfil our statutory remit effectively and efficiently. This report provides full details of how we delivered on the objectives we set in our business plan over the 12-month period.

Whilst the periodic review continued throughout 2016, our mandate remained in force and we continued to deliver our statutory functions, as laid down in the Architects Act 1997.

The Board had hoped to commence its review of routes to registration but decided to postpone this until the outcome of the government's review was known, recognising that the periodic review would have a bearing on this and other factors.

The outcome of the EU referendum has had a significant impact on the questions we receive from stakeholders. This is reflected in the visitor data for webpages related to registrants and applicants with EU (and non-UK) nationality.


We produced a set of FAQs, which received over 1,700 visitors.

Thank you

We want to finish by saying a sincere thank you to all the Board members, staff team and all those who work to enable ARB to deliver its role, supporting both consumers and the architects by ensuring that high standards are maintained in the profession.

We are committed to openness and accountability and the information included here will provide you with an insight into our work and regulatory role. We hope you find the report useful and welcome any feedback on it.

Best wishes,



Nabila Zulfqar
Chair

Karen Holmes
Registrar and Chief Executive

(Nabila was elected to the role of Chair by the Board in March 2017 and succeeded Peter Coe. Peter stepped down as Chair due to the conclusion of his eight-year tenure as a Board Member).

1700
Visits to Brexit FAQs

Objectives

ARB's regulatory role

ARB regulates architects in the UK for the benefit of the public. It also supports architects through the setting and maintenance of standards in the profession. Regulatory policy in the UK seeks to establish a careful balance – protecting the public whilst not placing an undue burden on the profession. This is reflected in ARB's statutory remit, which is set out in the Architects Act 1997.

The Act assigns four key functions to ARB:

- The maintenance of an accurate Register;
- The setting of standards via the prescription (recognition) of qualifications that lead to registration;
- The management of a professional conduct process including publishing a Code of Conduct;
- And finally, the protection of the title 'architect'.

Below we explain how the Act is put into practice.

ARB's work – the building blocks

The Act provides ARB with its statutory remit [The full text of the Act can be viewed here.](#)



The Board has developed a Purpose and Objectives document which sets out its approach to ARB's work and the organisation's priorities. Additionally, the Board has developed six core values which underpin its approach, these are proportionality, evidence-based objectivity, open-mindedness, transparency, integrity and consistency.



In the 2016 Annual Report we provide an account of the Board's delivery of these objectives, providing both facts and figures as well as narrative information.



Each year the Board agrees a business plan identifying its objectives and measures of success in detail.



Within this framework sit ARB's priorities which cover what the Board will focus on and address during 2017-2020.

The Periodic Review

In March 2014 ARB's sponsoring government department, the Department for Communities and Local Government (DCLG), commenced a Periodic Review of the ARB.

This undertaking formed part of a wider government commitment to reviewing public bodies to ensure they are fit for purpose, well governed and properly accountable.

In November 2014 DCLG completed phase one of the Review and concluded there remained a case for continued light-touch regulation of the profession, based on protection of title. Phase two of the Review commenced thereafter, investigating the form and function of the regulator's role.

It continued throughout 2015 and 2016 and the Board positively engaged with the process during this time. Consequently, you will also see mentions of this in the delivery section of this report where we set out the work we have undertaken to achieve our objectives.


In March 2017, DCLG announced the publication of the final report following the conclusion of the Periodic Review. The report draws on the evidence collected and makes recommendations for change including strengthening the Board's governance and accountability and improving the complaints' handling and disciplinary processes. You can find this document here.


In April 2017 DCLG presented its findings to the Board, which included proposals to change the Board's governance structure as well as amendments to the professional conduct process.


At the 12 May 2017 Board meeting the implementation phase, including the timescale for the move to an all-appointed Board was discussed. This is anticipated to take place in spring 2018.

Report on delivery of the 2016 Business Plan

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


 ARB has successfully delivered the item of work to a satisfactory standard

 ARB delivered the majority of the item, or delivered only with partial success

 ARB has not delivered the item, or performance has been unsatisfactory

Section A – Maintaining the Quality of and Access to the Register

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.


 Improve the accuracy of the Register.

Actions

- Develop the usability/access of the online registrant’s services area to maximise engagement.
- Highlight the value of ensuring architects keep their registration details up to date.
- To make the sites mobile friendly.
- Undertake an accuracy review of the Register, to ensure accurate and relevant information is provided to the public. Add Equality & Diversity fields to Registrants Services to enable those who haven’t provided data to submit it.

End of Year Assessment

89% of Change of Details requests were received through the online tool. 87% of Change of Details requests received online were processed within three working days. Development of systems was undertaken and the accuracy of the Register improved. Robust processes were put in place to thwart fraudulent attempts to Register. They resulted in one conviction under the Fraud Act.


 Further promote and develop self-service processes, including the online registration portal and registrant services.

Actions

- Promote further the benefits of the system.
- Provide clear guidance on the process at the point of enquiry.
- Respond to feedback on improvements to the system, and enhance systems where appropriate.
- Gather feedback on performance and delivery of our registration services.
- Review the accessibility of the system, its integration with back-office systems and develop accordingly.

End of Year Assessment

There was an increase in the number of applications received online, and the average time to process applications for registration fell. We provided clear guidance to applicants by introducing the ‘Find your route to Registration’ infographic. This directs people to the online route finder tool, and reached over 2,000 followers through social media.


 Provide an efficient and effective service to all enquirers.

Actions

- Ensure our online resources are readily available and are easy to understand and use.
- Act upon feedback to improve our service.
- Publish feedback and follow up actions on the website.

End of Year Assessment

We received 352 feedback responses in 2016. Examples of changes made as a result of feedback include introducing clear step numbers at the top of the online application which inform the applicant how much progress they have made with the form; broadened guidance on what documentation is required before the individual starts an application; and clearer information around the fee structure and PII requirements. We are introducing a new email ticketing system to improve efficiency and enhance management information. We have liaised with The Architects Benevolent Society (ABS) to establish what assistance can be given to architects facing financial hardship. ARB staff have successfully signposted a number of architects to the ABS.

 Undertake a fundamental review of the routes to registration.

Actions

Undertaking 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.

End of Year Assessment

Due to the on-going Periodic Review this area of work was put on hold, although stakeholders have been kept updated and preparations made for the start of the project.

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.

- 1. To have engaged 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 promote the availability of the following services and to meet all reasonable requests for:

- feedback sessions;
- planning meetings;
- university liaison sessions;
- regular liaison meetings with stakeholders;
- speaking at relevant conferences/ forums;
- providing support for those seeking to list qualifications in Europe.

To keep the Student Handbook and other areas of ARB's website relating to prescribed qualifications up to date.

End of Year Assessment

We have held regular liaison meetings with our key stakeholders and issued letters to all institutions offering prescribed qualifications or which are seeking prescription. Staff have attended and spoken at various forums and 12 planning meetings for new and/or renewal applications for prescription were undertaken during 2016.

We have received positive feedback from Professional Studies advisers and students who have organised/attended our university liaison sessions confirming that the sessions continue to be valuable and beneficial to students at all levels. We have continued to keep up to date with developments in Higher Education through the Quality Assurance Agency (QAA), and liaised with our QAA contacts on a regular basis throughout the year.

- 2. 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.

End of Year Assessment

We notified one title change and two newly prescribed qualifications. We have undertaken three planning meetings at institutions seeking to notify their qualifications to the European Commission (EC). 100% of the 37 European notifications were reviewed within the EC's deadlines, and compiled with the review requirements in this area.

We are continuing to contribute to the development of the pan-European guidance regarding the Commission's revised guidelines for the notification of qualifications through the European Network of Architects Competent Authorities (ENACA).

- 3. If the review of the routes to registration requires adjustment to the ARB Criteria for the Prescription of Qualifications ahead of the current schedule, undertake a review of the Criteria.

Actions

- Gather feedback on the existing Criteria for the Prescription of Qualifications.
- Determine the structure and content of any revised Criteria for the Prescription of Qualifications.

End of Year Assessment

See A4 above. We have been unable to deliver this objective because of the outstanding Periodic Review

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 Architects 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.

- Maintain awareness of the Code and steps that architects can take to mitigate complaints


Actions

- Provide advice to architects on preventing and handling complaints.
- Maintain the frequency of relevant articles in the eBulletin.
- Provide guidance to the profession on any changes to legislation or professional developments.

End of Year Assessment

Every eBulletin contained guidance on matters of professional conduct, and guidance was published on how to avoid disputes. Some 2,000 hard copies of the 'Meeting your Architect' form were distributed at three consumer shows in 2016, with a further 480 copies downloaded. Information on the revised 2017 Code of Conduct has been sent to all architects on the Register.

Delivery


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

Actions

- Review and improve all literature and 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, and review and action where appropriate.

End of Year Assessment

All external facing guidance has been reviewed and where necessary updated on an ongoing basis. Feedback and resulting actions were reported to the Audit Committee and the Board staff periodically throughout the year.


 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 is replaced by a fit for purpose system.

End of Year Assessment

81% of Investigations Panel (IP) decisions were reached within 12 weeks; 50% of the four Third Party Reviews found no further action needed to be taken. There were no findings of 'no case to answer' at the PCC and the one High Court appeal against a decision of the PCC was successfully defended. A fully operational and paperless IT system for investigations was tested in order to be in place in 2017.

 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 3 month formal consultation on proposed changes.
Publish new rules; provide training as necessary to those who deliver a service on behalf of ARB.

End of Year Assessment

We were unable to deliver this objective because of the outstanding Periodic Review and the possibility of legislative change

 Appoint new Professional Conduct Committee

Actions

- Undertake an open and fair recruitment exercise to appoint members of the Professional Conduct Committee.
- Work with the Law Society in respect of it providing nominees.
- Provide induction and training to new members as appropriate.


End of Year Assessment

The new PCC was appointed by the Board in July to start work in September 2016. All PCC members were properly inducted and trained before assuming their duties.

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 awareness of the Code with users and potential users of architects' services

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.

End of Year Assessment

The new Code was agreed by the Board in July, and came into force on 1 Jan 2017. The new Code was emailed to all architects; flyers were published and distributed with the retention fee invoice.

 Increase use of the online Register which will mitigate the risk of consumers being misled by those misusing the title "architect"


Actions

- Continue to increase awareness of the Register through social media
- 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.

End of Year Assessment

Social media referrals to the Register were up by 108%, and to the ARB website by 158%. Visits to the online Register have increased by 4%; however the number of individual searches has fallen by 2%. Staff attended three exhibitions in 2016 - Homebuilding and Renovating Shows in Birmingham and London, and Grand Designs in Birmingham. We have also met with key stakeholders to explore how they may be able to assist in raising awareness of the Register. We began a project to contact Local Authority planning departments. We are asking them to include a link from their website to the ARB site to inform their constituents about the Register.

Delivery

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


Actions

- Explain to registrants the value of referring to their registered status.
- Expand the secure area in which architects can have access to their details and embedded logo information.
- Increase links to the ARB Register via websites.

End of Year Assessment

Visits to the logo download page for 2016 reached 2,807, only slightly up on 2015.

Section E – Corporate Functions

 Consider the implications, both legal and practical, of amendments to the Professional Qualifications Directive (PQD)

Actions

- Consider the outcome of the PQD legislative changes and determine where changes may need to be made to appropriate ARB policies, requirements and documents.
- Take legal advice and advice from DCLG and BEIS where necessary.
- Analyse and cost any necessary system changes for 2016 budget.
- Engage in discussions with stakeholders and ensure understanding of the changes.
- Ensure information is readily available.

End of Year Assessment

We met with BEIS/DCLG and the European Commission to learn more about the interpretation of the revised Directive. Stakeholders have been kept fully informed as more information is made available. We adapted the guidance we provide to UK institutions regarding the notification of their qualifications and streamlined the way in which we present our notifications. We complied with the relevant terms of the revised Directive.


 Managing riskgreen box

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 2016.
- 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.

End of Year Assessment

At each meeting of the Board the high level risks were discussed. Each Board paper presented to the board includes a section on risk. New Internal Auditors were appointed with effect from 1 January 2016. They conducted a programme of audits, as agreed by the Audit Committee in 2016. Risks surrounding the growing demand for our services were discussed throughout the year. ARB has maintained its low risk status with the DCLG.


 Maintain adequate and appropriately skilled staffing levels that are utilised effectivelygreen box

Actions

- Ensure sufficient staff resources are maintained to deliver statutory functions and the 2016 Business Plan.
- 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.
- Review ARB's people strategy and key succession planning policy.

End of Year Assessment

Operational resource risks were discussed with the Board throughout 2016, resulting in an increased headcount. There were a number of cross-team task groups set up to deliver discrete projects throughout the year. A staff engagement survey was undertaken and reported on to the Remuneration Committee.


 Deliver outcomes of 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.

End of Year Assessment

The results of the Periodic Review were not known by the end 2016

 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 projects.
- Provide three-year forecasts to capture longer term financial obligations.

End of Year Assessment

ARB's work as set out in the 2016 Business Plan was delivered within the agreed budget.

Delivery

Compliance with legal obligations

Actions

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

End of Year Assessment

There have been no identified breaches of legal obligations in this period. All requests for information under the Data Protection Act and the Freedom of Information Act were complied within the statutory timescales. The Information Commissioner rejected a complaint about how ARB had dealt with a request for information.

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 technology.
- Build further use of the organisations website and online tools/systems.

End of Year Assessment

Due to the failure of an exchange server the organisation was without email for two business days. Further IT solutions are being continually explored to improve performance, enhance efficiency and respond to feedback.

Communications

Actions

- Develop and implement a plan to continuously improve our communications with stakeholders, including updating the layout accessibility and content of ARB's website; developing our social media profile; and raising awareness of ARB and the Register of Architects.
- Develop effective relationships with Consumer Organisations.

End of Year Assessment

Unique visits to the main ARB website rose by 7% and our social media audiences continued to grow. A review of the website was undertaken with a planned relaunch for February 2017. Regular meetings were held with key stakeholders. An Annual Report was published, setting out how we have delivered on our regulatory remit and providing key facts about the Register.

Continue our programme of efficiency and effectiveness reviews to improve the operation of the organisation

Actions

- Review of ARB's website, in an attempt to further promote self-service provisions.
- Review processes to ensure duplication of effort, and 'no value' processes are eradicated.
- Continue to review contracts to ensure value for money and on-going quality of service.

End of Year Assessment

The review of the website has been undertaken; the newly built website is due for launch in spring 2017. In late 2015 we undertook a series reviews and internal compliance exercises, e.g. against the Framework Agreement; against the General Rules etc. The required changes were implemented in 2016.

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

Actions

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

End of Year Assessment

We supported DCLG by sharing information about a survey they were undertaking into Building Regulations Approved Documents. We have held meetings with HomeOwners Alliance, TrustMark and the Committee of Advertising Practice and continue to work together on matters of mutual interest. We have met with representatives from the Consumer Panels of the Committee of Advertising Practice and Ofcom to learn about their approach to regulating in the public interest. We assisted with the UK Inter-Professional Group's (UKIPG) project to relaunch its website which has provided staff with a learning opportunity at a time when we are undertaking work on our own website. UKIPG provides us with an opportunity to share thinking on policy developments and best practice with other regulators.

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.
- Implement a communications plan to ensure architects are informed.

End of Year Assessment

We have responded to the European Commission's consultation regarding the Services Directive and considered the implications of the proposals within it and how they could impact on ARB's policies in the future. We have responded to several calls for information from Government regarding the potential impact of the UK leaving the EU. We will continue to work closely with Government as they determine whether changes should be made to the Act.

Delivery


 To continue to improve governance arrangements within the organisation

Actions

- Undertake a Board and Committee effectiveness review, and implement any review actions
- Ensure the Board has sufficient, evidence based, timely information, in which to make informed decisions.
- Be alert to best practice in the arena of governance and recommendations on how to continually improve.
- Induct new Board members

End of Year Assessment

An effectiveness review was undertaken at the end of 2015, the results of which were considered by the Board in February 2016.


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

Actions

- Review and amend the plan as required, introducing targets.
- 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.

End of Year Assessment

A new feature has been developed and added to online services that enable architects to provide their E&D data confidentially at the same time as accessing other services. We have joined a cross-Regulation workgroup to develop a framework for measuring success against E&D objectives. We continued to meet with stakeholders and those with expertise in Equality & Diversity matters in order to learn and promote best practice.

 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.

End of Year Assessment

Stakeholders – We continue to maintain existing and build new relationships with stakeholders. We meet with HomeOwners Alliance and TrustMark and a meeting with a new contact at Which? is arranged for early 2017.

Feedback - Feedback was collected and carefully considered, where possible changes are made to address issues raised.

Reporting – we have reported at mid and year end on KPIs

Exhibiting – We exhibited at two Homebuilding and Renovating Shows, one in Birmingham and one in London. We presented a masterclasses at one of these informing the audience about the Register of Architects. We also exhibited at Grand Designs Live in Birmingham.

Consumer data – We sourced and successfully trialled a consumer survey tool which enables consumers to vote on spot questions. We plan to use this tool to build up consumer insight data which will enable us to improve information we provide to the public. Website sessions for the online Register were up by 4%, though the number of searches has fallen by 2%.

Glossary

BEIS – Department for Business, Energy and Industrial Strategy

DCLG – Department for Communities and Local Government

EEA – European Economic Area

ENACA – European Network of Architectural Competent Authorities

FReM – Financial Reporting Manual (Government document)

PQD – Directive 2005/36/EC on the mutual recognition of professional qualifications

PCC – Professional Conduct Committee

Our role - in Registration

In the UK architects are regulated by law, namely the Architects Act 1997. This piece of legislation requires us to maintain an accurate, up-to-date Register. This work is delivered by our skilled registration team who carefully process applications for registration to ensure that the individuals we register are appropriately qualified to use the title.

The team's role also includes ensuring architects' details are updated, managing the examination process, and handling enquiries relating to a range of routes to registration.

The team includes several very experienced members of staff with expertise in matters of regulatory policy and UK and European Union law who participate in European forums and meetings with other regulators to share best practice.

The team handles a significant amount of personal data and so accuracy and confidentiality are key to their work, which focuses on ensuring that the Register is as accurate as possible at any given moment.

A growing Register

By the end of 2016, the total number on the Register of Architects had increased to 38,511, up from 36,932 in 2015 ().

The number of women on the Register had increased by 1% since the previous year. The male/female split was 74% male and 26% female at the end of 2016, a small change from the 75% male and 25% female at the end of 2015.

New admissions to the Register in 2016 climbed to 2,507. This is the highest ever number of new admissions in a single year since the present Act came into force.

Of these, 44% were female and 56% were male. This continues a trend that has seen the percentage of female architects growing slowly through new admissions.

38,511

Registered Architects

2,507

New admissions

How regulation is funded

In September 2015 the Board decided to hold the 2016 retention fee at £107. It was also held at £107 for 2017.

The annual retention fee, paid by all registrants, funds ARB's regulatory functions. The fee is a registration fee, not a membership fee and as such architects are paying to be part of a regulated profession, rather than for the services associated with a professional body.

Whilst the fee is paid by architects, once it has been collected it becomes public money because it finances an activity that is undertaken in the public interest.

Consequently, the Board is mindful that the organisation delivers its regulatory role and that the fee covers this in a way which is proportionate and justifiable.

The 2016 retention fee was due on 31 December 2015. It was the third year that the end of December due date had been applied.

The Board made the decision to bring the payment and registration periods into line with one another to ensure that it was delivering an accurate Register.

Prior to this architects could pay the fee at any point up until the end of March but this had the effect of creating a three-month time lag when the Register contained the names of some people who had not paid the fee required to be part of a regulated profession.

Communicating the retention fee

We work hard to communicate the retention fee deadline to prompt registrants to pay on time. This communication exercise involves striking a difficult balance between sending sufficient reminders to get the message across without sending so many that it becomes a nuisance. In response to feedback on this matter we have used technology to ensure that reminder emails and text messages are only sent to those who have not paid at the time that the reminder is circulated.

Social media, particularly Twitter, is an important tool in disseminating these messages. We received significant support for our social media messaging from our stakeholders, including representatives of professional bodies and the trade press.

Our strategy was very successful and in the last week of 2016 our retention fee messages on Twitter achieved over 19,000 impressions, over twice that in 2015. The professional bodies also helped us by informing their members of the payment due date.

The efforts made to communicate the fee had an impact, with 96% of registrants in 2016 paying the fee for the coming year on time, compared to 94% in 2015. Consequently, the number removed for non-payment of the 2016 fee was 1,433, down on the 2015 number of 1,809. The number of registrants removed for non-payment of the retention fee is a matter of public record and thus it is an annual feature covered by the architectural publications.

In 2016 these publications once again ran stories about the number of architects removed, nonetheless these were balanced in tone and included the points we highlighted in our press release.

We established a staff task group in 2015, who reviewed the feedback received in relation to the retention fee collection exercise. This group instigated a number of reforms which improved the 2016 fee collection exercise and built on its successes in driving down the number of architects removed for non-payment in 2017.

96%

96% of Registrants paid their fee on time

Our role - in Registration

Re-joining the Register

There was an election of architect Board Members in March 2016 and so we were keen to process reinstatements with the utmost speed so that those architects who wanted to, could vote in the election.

The team processed the reinstatement applications swiftly by working through the weekend directly after removal and, as a consequence, fewer complaints were received and 86% of applicants who re-joined the Register were satisfied with the speed with which their application was dealt with.

Online systems

We continue to use technology to enhance our service-user offer. Our application portal has proved very popular with 98% of applications by the UK and EU routes being made online.

This is in line with the numbers from 2015. The online application system provides a number of benefits: it enables applicants to submit both their application data and scanned copies of supporting documentation electronically, and the portal enables us to automate elements of the application process whilst cutting down on the paperwork coming into and leaving the office.

This has allowed us to contain costs and drive down application turnaround times. We also use technology to provide information and advice to those who use our services.

Our registration route finder has proved popular as have our online videos for those applying for the prescribed exam.

2016 saw
98%
of applications
made online

Equality and diversity data

We started to collect equality and diversity (E&D) data from registrants in 2012, with those who were joining or re-joining the Register being asked to make a submission. Following this, an E&D survey was sent out to all registrants in 2015. In 2016, we enhanced our online services to enable registrants who have not yet provided us with this information to submit it at the same time that they make other updates to their personal details. When we reviewed the E&D data in February 2017 we had collected data for 47% of the Register, up from 35% of the Register at the end of 2015.

Maintaining an up-to-date registered address

Architects are obliged under the Architects Act 1997 to provide us with an up-to-date registered address so that we can ensure the Register is accurate. In 2016 we undertook a project to contact 620 architects whose ARB post had been returned to us to clarify the status of their address. We managed to resolve issues for 562 of these but unfortunately, despite extensive efforts to make contact, in November 2016 58 architects were removed from the Register under Section 11 of the Act for failing to keep an up-to-date registered address.

The value of feedback

We regularly collect feedback from those who use our services, including those who have applied via the online application portal, those re-joining the Register and Prescribed Examination candidates. The feedback we receive helps inform future developments, for example, in 2015 the feedback we received in relation to the 2014 retention fee collection highlighted issues that we have since been able to rectify for future years. These included resolving a problem relating to a small number of registrants' direct debit instructions. Additionally, we created reminder tools such as text messages and downloadable calendar alerts to meet the needs of busy architects. Some of the comments received during 2016 addressed the tone of the statutory notice and reminders saying they felt that our tone was harsh. These comments have been taken on board and taken forward by a project group looking at the tone of ARB's correspondence.

Route Finder

Responses received in 2016 indicated that 70% of those applying for registration used the Route Finder tool to access their online form, with 95% saying that the tool met their needs.

Online services

Online services are a key part of our offer, enabling applicants to access our services at a time and place which is convenient to them. Feedback received during 2016 from those who have used the online application facility has been very positive, with 98% of the applicants who responded stating that they found the system easy to use. 93% of those who responded were satisfied with the service standards overall and 89% were satisfied with the speed in which their application was processed and they were entered onto the Register.

Our role - in Registration

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93%

**were satisfied with Standard
of Service**

89%

Speed of the application process

17

**New examiners
recruited**

Examiner and Independent Examiner recruitment

We successfully recruited 17 new Examiners and three Independent Examiners for the prescribed examination process. 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. The appointments were confirmed by the Board in February and our new team members are now in operation.

Prescribed Examination

We have acted on much of feedback received in 2015 relating to the guidance documents and have introduced more detailed guidance and videos to assist in communicating the process more clearly and effectively. The feedback received in 2016 is being used to inform improvements to the examination pages on the website and we are currently exploring possible ways to reshape the pages to allow for better navigation of the guidance material. A project team has also been set up to look at the way in which we communicate our work to maintain the Register. This group has been tasked with reviewing all the guidance and videos and making changes to the guidance where appropriate.

Achievements of the Registration Department

Registration worked hard in 2016 to create efficiencies in processes. This resulted in better performance against several key performance indicators, including the processing of EU applications, despite a rise in the number of applications being processed.

The team also reaped the benefit of work to communicate the retention fee due date. These efforts contributed to an 18% decrease in the number of architects removed from the Register in early 2017, despite the Register being bigger.

Our role - in Professional Standards

Our role in professional conduct matters

As a regulator part of our role is to set a Code of Conduct and investigate cases where architects are acting in a way which falls below the standards we expect, taking further action as necessary. Whilst the number of registrants stands at over 38,000 we receive a relatively small proportion of complaints. In 2016, 166 formal complaints were made about architects, a slight increase on previous years.

Complaints are reviewed by staff and, where appropriate, they are referred to one of ARB's Investigations Panels (IP). However, not all cases follow this route, over half of the formal complaints received in 2016 were concluded without the need for further investigation. This can happen for a number of reasons. There can be a lack of evidence; the issues complained about are, at times, outside ARB's remit; or it may be that alternative dispute resolution is more appropriate given the circumstances.

We also receive a range of enquiries that are not formal complaints but to which we are able to respond and provide appropriate advice. These include enquiries from members of the public, who would like to know whether they should make a complaint to us; professional standards enquiries from architects, who want to know if the work they intend to undertake is in keeping with the Code; and enquiries about individuals who are not registered with us.

The professional conduct process

Initial stage – In 2016 the target for closing a complaint or referring it to the IP was 16 weeks. The 16-week target (which has since been reduced to 14 weeks) was set in order to strike a balance between moving the complaint forward expeditiously whilst, at the same time, providing the witnesses and complainants with sufficient time to contribute to the process.

In 2016, it took an average of nine weeks following the receipt of a complaint for a case to be closed or referred to the IP. The 16-week target was met in 86% of cases, a slight decrease on last year's figure. In the instances when this target was not met, this was most often because those involved did not reply in good time as well as delays due to illness, holidays or other leave.

The IP took an average of 10 weeks to reach a decision in 2016 and 81% of decisions were reached within the Key Performance Indicator of 12 weeks, this is consistent with 2015. The Investigations Pool issued 73 decisions, which is comparable with 2015.

23%

23% No further action required Committee

38%

39% Referred to the Professional Conduct Committee

39%

38% Architects issued with advice

In ten of these cases, the outcome was to take no further action, 28 of the decisions issued the architect with advice and 28 resulted in a referral to the Professional Conduct Committee (PCC). The IP took an average of ten weeks to reach a decision in 2016, compared to 11 weeks in 2015

ARB solicitors – There are four firms of solicitors engaged to prepare and present cases to the PCC. Solicitors have 12 weeks in which to prepare a report to the PCC. On average it took 13 weeks to prepare a report, a slight decrease on the 2015 figure of 11 weeks. 65% of cases met the 12-week target (compared with 71% in 2015). Whilst this area of work remains vulnerable to the cooperation of third parties in providing witness statements, the performance of all of ARB's legal providers remains subject to continuous review.

Professional Conduct Committee (PCC) – In 2016 the PCC held 31 hearings over 77 days, a 29% increase on the 2015 hearing figure. In two of the hearings, the cases concerned two architects from the same practice. The PCC reached different decisions for each architect. As such it reached 33 decisions despite the fact only 31 hearings took place. Of the 33 decisions, 30 architects were found guilty of unacceptable professional conduct and/or serious professional incompetence, and the PCC made three findings of not guilty.

The number of hearing days increased significantly, from 42 days in 2015 to 77 days in 2016 (an 83% increase). This can be attributed in part to the increasingly active involvement architects have in both the regulatory process and defending of their cases, and a rise in their use of legal representation. There was also a number of complex cases dealt with during the year.

In 2016, the average cost of a hearing (which includes the preparation of the legal case and advocacy where relevant, cost of venue and PCC member/witness/expert witness attendance) was approximately £19,500, an increase on last year's figure of £16,000. This increase is a consequence of longer and more complex cases, reflected by the 83% increase in hearing days. There was one appeal against a sanction imposed by the PCC. The High Court upheld the decision of the PCC in its entirety.

In 2016 there was a full recruitment exercise for PCC members, with newly appointed members commencing in September 2016. Consequently, there were a number of mid-year listing delays, where cases were delayed in an effort to reduce the risk of unfinished cases when a changeover of PCC members was imminent. In 2016, 68% of cases were listed within the KPI of 16 weeks, compared to 91% of cases in 2015.

Third Party Review – Third Party Review considers the Investigations Procedures that do not have a statutory appeal to the courts. Third Party Review does not revisit the original decision, but looks at whether the process was properly and correctly followed, and that it was appropriate and efficient.

There were four Third Party Reviews undertaken in 2016, a 50% increase on the 2015 figure. Two further applications for a Review were refused on the grounds that they failed to identify any flaws in the procedure by which the decision was reached, which is a requirement of acceptance. Of the four reviews undertaken, two found that there had been shortcomings in the investigations, and recommended that further consideration of the cases would be appropriate. A reconsideration took place in both cases.

Judicial Review – When an architect disagrees with the decision of the PCC an appeal against it can be decided through judicial review. This is a court procedure whereby a judge undertakes a review to decide on the lawfulness of a decision or action made by a public body. In essence, judicial reviews revisit the process by which the decision has been reached rather than the conclusion itself. There were no judicial reviews in 2016.

Our role - in Professional Standards

Investigations Pool vacancy

In 2016, ARB advertised an Investigations Pool vacancy for an architect member with experience in Scottish architectural matters, particularly related to domestic projects. This post was filled by Gordon Gibb.

The most common causes of complaints

The majority of complaints in 2016 continued to be about domestic projects. The most common complaints were allegations under Standard 1, Standard 4 and Standard 6 of the Code of Conduct. These included terms of engagement and failing to communicate adequately with clients. We have taken steps to alert architects to this information and you can read more about this below in the section on how we communicate the work of the professional standards department.

Code of Conduct

A full review of the Code was conducted in 2016, following a 2015 consultation exercise, which indicated that the Code required changing. It was felt that whilst the Code was largely fit for purpose, it would benefit from minor changes to wording to reduce the risk of any potential misunderstandings, as well as other small revisions to reflect recent changes to laws and regulations. There was a further consultation on the proposed changes and these were agreed by the Board at its meeting in July 2016. Time was also spent in late 2016 on designing the revised Code document and producing summary postcards which were circulated to all architects along with the hard copy retention fee notice.

Communicating the work of the Professional Standards Department

The Professional Standards Department is proactive in communicating its work, particularly the common causes of complaints. By sharing information about complaints and guidance for practice-related matters the team hopes to prevent architects from repeating the mistakes of others. The regular Dear Architect column which appears in each issue of the ebulletin covers topics such as how to deal with complaints and the importance of issuing written agreements.

We also use the ebulletin to highlight any important news items such as the Code of Conduct consultation that took place in 2016, and to inform readers about any misuse of title prosecutions. The department has continued to use online guidance videos and YouTube in order to keep both registrants and members of the public informed of ARB procedures and work.

Investigations Oversight Committee (IOC) – The Board retains oversight of investigations through the IOC, which is made up of three Board Members as well as the Head of Professional Standards. The IOC assists the Board in discharging its responsibilities under the Act by keeping under review the processes by which allegations of unacceptable professional conduct and serious professional incompetence against architects are investigated under sections 14 (1) and (2) of the Architects Act 1997.

The IOC meets three times a year, and periodically reports back not only on performance, but also on professional standards issues that should be communicated back to the profession.

Annual Report of the PCC – The PCC produces an Annual Report to provide an overview of the work of the Committee. The 2016 Annual Report of the PCC highlighted that the lengths of cases was continuing to increase and noted that five cases were ‘part heard’ in 2015. In order to mitigate the risk of proceedings overrunning and to make the most of the time available, 2016 saw cases begin half an hour earlier. The Report also made reference to the extent to which events in an architect’s personal life can impact on his or her professional standing. The PCC welcomed the proposed addition to the Code to explain to architects that their behaviour outside the workplace may have consequences in this regard.

Disseminating information about decisions – A summary of each decision is sent to the Board as standard procedure. Additionally the IOC has sight of all decisions and each panel member is mindful of previous findings. Many architects have signed up to receive press releases regarding PCC decisions and the regular Dear Architect column in the ebulletin highlights key learning points.

Our role - in Professional Standards

The value of feedback

We offer both architects who are the subject of complaints and members of the public the opportunity to provide us with feedback once the process has been concluded. Whilst we currently receive a relatively low response rate, we will be reviewing our feedback process in an attempt to increase it.

Misuse of title

ARB's policy for dealing with incidences of misuse of title is two pronged, on the one hand we deal with complaints on this matter, resolving them as necessary, and on the other hand we work to inform the public about the Register and ARB's role. Misuse of title complaints – Our procedure for dealing with misuse of title complaints is to investigate and stop any ongoing misuse of title as quickly as possible. We will try to avoid taking court action, and will only proceed with criminal prosecutions where the evidence is strong and if it is in the public interest to do so.

There were several noteworthy cases in relation to misuse of title in 2016 including two cases that resulted in substantial fines and one relating to misuse of title on social media – this case in particular resulted in the individual having to pay over £8,000 for misusing the title, including one offence for misusing the title on the practice's Twitter profile. Given the ever increasing use of social media as a platform for communication this sends out a message that title abuse on social media can be punished. Other examples of offences successfully prosecuted in 2016 included use of the title on shop signage, on planning applications and business websites.

Informing the public – Our approach to informing the public about the Register and the fact that 'architect' is a protected title includes attending consumer shows, promoting our online consumer resources and contacting online directories to check the veracity of their data. We are also working to use search engine optimisation to help raise awareness of the online Register and the registered status of the profession.

Local authority project – In 2016 we had a substantial push on our local authority project, which involves contacting the planning departments of local authorities to ask them to add a link to ARB or the Register from their websites. The project made excellent progress and, by the end of 2016, 73 councils had links to the Register or ARB website.

Achievements in the Professional Standards Department

2016 saw the Professional Standards Department deal with an increased workload at PCC stage without any adverse impact on either timings or costs.

An audit of all complaints investigated over the last five years was undertaken. This provided demographic data regarding complaints received, including breakdown information regarding male/female architects, age, the location of the architect and where they qualified, the source from which the complaint originated and the most common allegations.

The Board noted that the audit was as an important learning tool for both ARB and the profession.



Our role - in Recognising Qualifications

Setting standards for qualifications

A key element of the Board's regulatory role is to set the UK standard of entry to the Register of Architects. In practice this means that the Board requires individuals to hold qualifications and practical training experience which meet its Criteria at three levels: Part 1, Part 2 and Part 3.

The Criteria, in turn, set out the knowledge, understanding and abilities which an individual must have acquired on completion of each level.

Those following the UK route to registration must pass all three qualifications, including the requisite practical training experience in order to be deemed competent to join the Register.

We operate an independent process through which we determine whether a series of requirements have been met in order to award prescription of a qualification. Universities and Schools of Architecture submit applications for prescription for individual courses and the Board's Prescription Committee assesses these and makes recommendations to the Board regarding whether prescription should or should not be awarded for a course.

The Board then considers the recommendations before making the final decision on whether a qualification meets the standards required.

As a regulator we keep a watchful eye on the qualifications we recognise to ensure that educational standards are maintained and those graduating from the courses have achieved the required level of competence.

Annual monitoring submissions – After a qualification has been prescribed for the first time, or prescription has been renewed, the qualification is subject to an annual monitoring process to ensure that it is continuing to meet all of the Board's requirements so that we can be certain that students gaining the award are continuing to meet the required Criteria.

The process is rigorous, in the sense that we must review a range of information to make a robust decision. It is also proportionate and avoids placing undue burden on the institutions, encouraging them to submit material that already exists and which they have had to prepare for other purposes.

In 2016, we received and processed 46 annual monitoring submissions, involving 120 qualifications. The annual monitoring process enables us to check that the qualifications the Board prescribes continue to meet our requirements. It also allows us to identify any potential issues at an early stage and to monitor them. The average time taken to process an annual monitoring submission was 4.5 weeks.

Renewal of prescription – Once a qualification has been prescribed, institutions offering qualifications can apply to renew prescription on a regular basis. The programme by which institutions renew prescription of their qualifications is a rolling one for over 150 qualifications, offered across 53 institutions.

Courses are usually prescribed for a period of four years but on occasion shorter or longer periods are requested and a number of institutions have moved to a five-year cycle. During 2016, the Board renewed the prescription of 21 qualifications offered by nine institutions.

First time prescription of qualifications - In addition, four new qualifications came on line with the Board granting prescription to four institutions. One of these was an institution with no previous history of offering prescribed qualifications.

Planning meetings - For those institutions that are considering applying for prescription for one or more of their courses, we offer support in the form of planning meetings. In these meetings we brief institutions on our prescription process and offer advice on how to collate an application. In 2016, we took part in 12 planning discussions with the number of meetings remaining stable over the last few years. Year on year we have received positive feedback regarding these meetings with institutions indicating that they valued the support offered. Planning meetings also provide us with a valuable opportunity to strengthen our relationships with the institutions offering prescribed qualifications.

150
Qualifications

53
Institutions

Our role - in Recognising Qualifications

What universities say about our work

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, six institutions provided us with feedback on the process.

None of the respondents expressed any particular concerns regarding the mapping of their qualifications to the General Criteria:

“Very straightforward. At the moment we have LOs (Learning Outcomes) that are the same as the General Criteria, although we are under pressure from the University to change this at our next internal validation. This may make it more difficult.”

“It was fairly easy but time consuming to map the ARB criteria with the qualification General Criteria, since we have completed the same exercise with the RIBA criteria.”

“I am familiar with the General Criteria so found this process relatively easy.”

All the respondents agreed that they found the advice from staff helpful throughout the process. One respondent stated:

“(We) found the ARB staff extremely helpful, professional, efficient and courteous throughout the entire process. Any questions/queries raised by us were promptly and constructively responded to, without exception. They were also good at reminding us of key dates and deadlines for the various stages during the periods of prescription, which we might otherwise have overlooked, by accident.”



Regarding the advice given in the Good Practice Handbook:

“The Good Practice Handbook is very comprehensive and is well complemented by the planning meeting.”

“No urgent or major changes are required in our opinion.”

Our role in liaising with universities

University liaison visits involve a member of staff, from the qualifications department, presenting a session about ARB's role and what regulation means to students enrolled on prescribed courses. We offer these visits to all providers of prescribed courses across the country and an excellent uptake rate has been established.

These visits provide a useful and constructive point of contact between ARB and the schools/institutions of architecture.

They also prepare students for what being part of a regulated profession means by raising awareness of the responsibilities placed on architects by ARB's Code of Conduct and Practice, along with an understanding of professional regulation and the qualifications and training required for registration.

Our role

- Communications

We work hard to communicate ARB's role to our stakeholders. We are guided by our communications strategy which sets out three key aims. These underpin the annual objectives we set and are listed below:

1. **To increase public and professional awareness of the role and functions of ARB.**
2. **To continue to raise awareness of the Register, specifically explaining to users of architectural services what registration means, and the importance of checking the Register before engaging an architect.**
3. **To extend the network of stakeholders to support ARB to deliver its business plan. ARB's communications function supports the organisation to achieve its business objectives and thus deliver ARB's statutory remit, as set out in the Architects Act 1997.**

Communications objectives

Communications objectives formed a key part of the 2016 business plan. The plan contained specific communications tasks particularly related to extending stakeholder networks. We also committed to harnessing the power of technology through the use of tools including the website, social media and the ebulletin.

Additionally, communications objectives were woven throughout the wider business aims to support the delivery of our regulatory functions of registration, prescription, professional conduct and protection of title. Communications is key to the effective delivery of all of these functions as we work to provide informative resources to consumers and clients, registrants, applicants, candidates, schools of architecture, professional bodies and other built environment stakeholders who use our services.

As a public body we are committed to transparency and accountability. We communicate our effectiveness by highlighting successes and identifying and acting upon areas where improvement is needed. For this reason, we see communication as a two-way process. We disseminate information to our audiences but this is not done in isolation, it involves listening to and, where possible, drawing on the feedback, advice and experience of others.

In this way, it is also an evolutionary process as we amend resources to meet the needs of our stakeholders.

Stakeholder relationships

Maintaining and building stakeholder relationships is a key element of our work.

Our traditional stakeholders

For many years, we have had strong relationships with architects, students and schools of architecture. Professional bodies are also key stakeholders for ARB. We are in touch with employees in a range of different roles within these organisations, they provide us with insights into the views of their members and share key messages via their networks. These traditional stakeholders are core to our work and we report on our interactions with these organisations, groups and individuals via the regular Operational Activity Report, which is presented at each Board meeting as well as reports relating to our different regulatory functions.

Consumer and client stakeholders

In recent years, we have established connections with a number of stakeholders representing consumers and clients. These include the HomeOwners Alliance, TrustMark, Houzz and Which? We continue to remain in touch with these organisations with a view to identifying opportunities for joint working.

In 2016 we hoped that we would be able to establish a relationship with the Planning Portal, an online tool used by local authorities to manage the public facing elements of their planning process. It is widely used by the general public and, consequently, we believe that it should direct consumers looking for architects to ARB to verify their registered status. In 2016 the Portal team advised us that they were looking at ways to develop their business including identifying suppliers to provide a new 'find a trade professional' service. Their aim was to enable members of the public to locate providers of construction services, including architects. Whilst we are unable to enter into a commercial arrangement we strongly recommended that the Portal should direct consumers looking for architects to ARB. Unfortunately, the Portal did not shortlist us, advising us that this was in part due to the overall user experience and the support offered to users, and in part due to commercial reasons. We will continue to remain in touch with the Planning Portal team and work with them wherever possible.

Equality and diversity stakeholders

Over the last year we have continued to build links with those operating in the equality and diversity sector. We are committed to ensuring that our processes are fair and do not disproportionately affect any one group over another. Where possible, we seek advice from those with valuable experience, for example, in 2016, we met with the Judicial Appointments Commission (JAC) to gain an insight into the organisation's recruitment processes. We also, met with Elevation Networks, a charity that develops the leadership potential of talented young people.

We also reached out to our contacts at networks for women in construction and Freehold, a lesbian, gay, bisexual and transgender group in the sector to share information about vacancies and appointments. We established a working relationship with the Architects Benevolent Society (ABS) who seek to help those in the sector facing hardship. During the retention fee period at the end of 2016 this enabled us to signpost those who cited difficulties to the ABS.

We are also mindful of the impact of our communications on those involved in our processes. In 2016 we met with the General Medical Council (GMC) and attended an event organised by the Royal College of Veterinary Surgeons (RCVS) to learn more about the issue of mental health problems in other regulated sectors. This led to us commencing work on a tone of voice project, which we aim to complete in 2017. At the September Board meeting the issue of mental health problems amongst architecture students was raised and the Board agreed to consider this matter further. Work commenced on an analysis of the data and literature relating to this area, which was presented to the Board in May 2017.

Internal audit of stakeholder activity

Additionally in 2016, an independent review of ARB's stakeholder activity was undertaken by the Board's internal auditors. This was a very helpful exercise, which resulted in a number of recommendations that we have subsequently implemented, including rolling out a press-handling protocol to the staff team and improving how we record our contacts with stakeholders.



Our role

- Communications

Communications tools

We use a range of communications tools to reach our audiences.

Our websites

Our websites remain popular. The main ARB website logged almost 300,000 sessions, up by 7% from 2015 and there were some 285,000 sessions for the online Register of Architects, up by 4% from 2015. Whilst we are pleased with the 2016 increase in visits, which reflects the efforts we have made to raise the profile of the organisation, the increase is not as marked as it has been in previous years.

This may be down to the principle of diminishing returns, but also to the fact that the websites had not been built to be mobile friendly, which is an important factor in Google rankings. Consequently during the second part of 2016 a major project was initiated to rebuild the website to make it mobile compatible and easier to navigate.

The new site was launched in early 2017.

Social media

Our social media audiences increased across the board with Twitter and LinkedIn followers and Facebook likes all rising by almost 30%.

Retention fee messages on Twitter

Our presence on Twitter proved particularly helpful at the end of 2016 during the retention fee collection exercise. Our approach of asking our contacts to share our messages was successful and in the last week of 2016 our retention fee messages on Twitter clocked up a reach of 19.1k, over twice that in 2015.

Online videos

Online videos remain a very popular medium for those accessing our communications. Whilst no new videos were launched in 2016 the existing videos continued to remain popular, with 9,590 views.

Exhibitions

During 2016 we exhibited at three major events aimed at consumers planning domestic construction projects. We took stands at Grand Designs Live at the NEC in Birmingham and at the National Homebuilding and Renovating Shows in both Birmingham and in London.

Over the course of the three shows in 2016 we estimate that we spoke to 2,200 visitors – the majority being consumers, but also architects, students and other building professionals.

Ebulletin

Unique opens for the five eBulletins issued in 2016 averaged at 11,413 per edition, up by 15% from 2015. The Dear Architect column continues to remain the most popular item with readers.

Meeting your Architect form

The Meeting your Architect form, which guides consumers through a series of questions they should ask an architect at an initial meeting, continues to be a popular handout with the public. Over the three consumer shows we attended in 2016, we handed out in the region of 2,000 hard copies and a further 480 copies were downloaded from our website.

Annual Report 2015

The 2015 Annual Report was published online in July 2016 and received 2,068 visits by the end of the year. Whilst the readership was significantly lower than the 2014 Annual Report readership, which received 4,413 views in the year it was launched, it was broadly in line with the readership numbers for the 2013 Annual Report.

The higher readership numbers for the 2014 Annual Report could be linked to the trade press coverage at the time which contained eye-catching headlines relating to the size of the Register and rising revenues.

Local authority project

In September 2016, we began work on a project to contact local authorities throughout the UK to ask them to add links to ARB to their websites. The planning sections of local authority websites are key sources of information for members of the public who are considering undertaking building projects. Our aim is not to promote architects over other professionals, but to inform the public about the existence of the Register as an accurate resource to check the status of their architect should they choose to use one.

By the end of 2016, this project had already resulted in a number of key successes. Visits to the Register from .gov websites between September and December 2016 were up by 42% compared to the same period in 2015. By the end of 2016, 73 local authority websites contained links to ARB, this number represents almost a quarter of all UK authorities.

The EU referendum

The 2016 referendum regarding the UK's membership of the EU has had an impact on the questions we are receiving from our stakeholders. This is reflected in the data with an increase in the numbers viewing webpages about registration with EU qualifications (up 4% on the 2015 number) and non-recognised UK and overseas qualifications (up 12%). Following the referendum we issued a statement confirming our commitment to business as usual.

We also produced a list of frequently asked questions (FAQs) for our website, which we will update as we receive further information. By the end of 2016 the statement had received 763 views and the FAQs had received 1,754 visitors. We included an article in the July eBulletin informing readers about the statement and the FAQs.

Communications achievements

The communications function continued to provide integral support to the wider organisation in 2016 through the provision of communications input and advice to disseminate core messages about regulation and public protection. Stakeholder engagement activity remained a key focus area with the staff team working to extend ARB's reach beyond its size by tapping into the established networks of other organisations.

Our role - in Europe

ARB's Competent Authority role

Whilst the UK remains a member of the EU it is bound by an EU law called the Professional Qualifications Directive [2005/36/EC] (PQD) which sets out the conditions an individual must meet in order to register as an architect in another EU Member State. Part of this law requires an organisation or a body to undertake the role of 'Competent Authority' in each EU country. ARB is the Competent Authority for architects in the UK. This means that we implement and facilitate European legislation which provides freedom of movement for appropriately qualified architects to enable them to work in different parts of Europe.

We continue to maintain valuable and close relationships with and actively contribute to the work of both the Architects' Council of Europe (ACE) and the European Network of Architects' Competent Authorities (ENACA), attending meetings as relevant and appropriate. The Professional Qualifications Directive was amended in 2013 and we ensured that we were compliant with the relevant changes to the Directive by the implementation date in early 2016.

ACE has provided helpful information about new and upcoming Directives as well as the way in which other EU Member States accredit qualifications. ENACA has shared practical information about the implementation of the revised Directive.

Notifications of qualifications

In practice the principle of freedom of movement enshrined in the PQD is managed through a process of mutual recognition of qualifications in architecture. We notify ARB-recognised qualifications to the European Commission for listing and inclusion under Annex V of the Directive so that individuals who meet the relevant requirements for registration in the UK can benefit from the automatic recognition of their qualifications in other Member States. In turn, we review and comment on the compliance of qualifications notified by other Member States for listing under the Directive.

There is a substantial amount of activity in this area. In 2016, we reviewed 37 new notifications from 10 member states.

We undertook an active role in reviewing these notifications, raising queries in relation to their compliance with the minimum requirements set out in the PQD where appropriate. For each notification there is a two-month consultation period and we met this deadline in all cases.

We notified one UK title change during 2016. We had planning meetings with three institutions regarding the notification of new qualifications. Two of these new Part 2 qualifications were notified to the Commission, and for consultation with Member States. This consultation ended in mid-2016.

Achievements of the Qualifications Department

The Qualifications Department continued to deliver the prescription process in a timely and efficient manner in line with key performance indicators and agreed procedures. This was achieved against a backdrop of increased applications from new institutions.

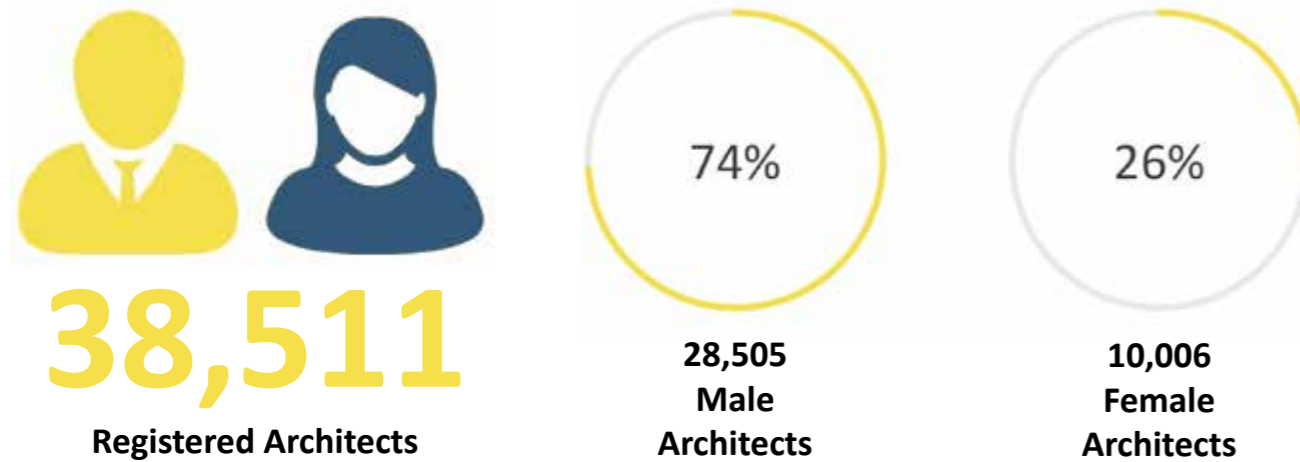
At the same time stakeholder engagement activity continued to be a key focus for the qualifications department. Team members attended forums with their EU counterparts, liaised with organisations in the sector and conducted a comprehensive programme of university liaison visits.

Facts & Figures - Registration

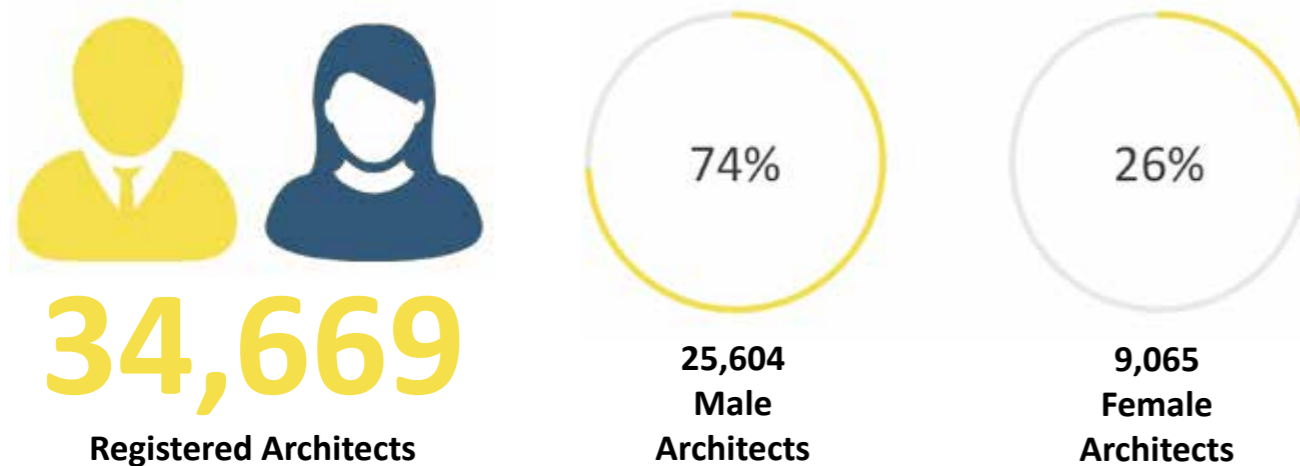
Registered Architects

(as at 31.12.16)

Of the 38,511 on the Register at the end of December 2016, 74% were male and 26% female. The number of women on the Register has increased by 1% since last year. The percentage of female architects continues to grow slowly through new admissions to the Register. In 2010 the percentage split of the Register as a whole was 81% male and 19% female.



Architects residing in the UK



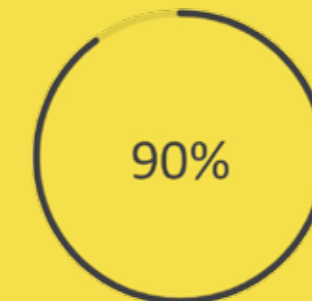
Location of Architects



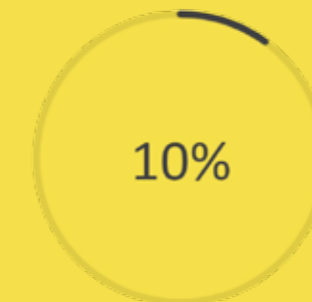
34,669

Registered Architects in the UK

Male – 25,604 (74%)
Female – 9,065 (26%)



UK



Overseas



3,482

Registered Architects overseas

Male – 2,902 (75%)
Female – 940 (25%)



29,526

England

Male – 21,686 (73%)
Female – 7,840 (27%)



3,392

Scotland

Male – 2,529 (75%)
Female – 863 (25%)



756

Wales

Male – 626 (83%)
Female – 130 (17%)



995

Northern Ireland

Male – 763 (77%)
Female – 232 (23%)

Facts & Figures - Registration

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	1433	1,214	2,507	38,511

Please note, we recently conducted a retrospective reconciliation of registration numbers over the last five years due to a reporting issue, as a consequence there have been minor restatements of the numbers in this table compared to the data presented in previous years.

The above summary does not include all status changes and year-end totals may not always reflect figures alongside. In addition to the above, two people were erased, seven people were suspended from the Register for conduct issues, one person suspensions ended and four people were restored. 58 were removed from the Register for failing to keep an up to date registered address.

New admissions to the Register 2016

(Last year's figures in brackets)

1249

UK applicants 1,249 (1,192)



1232

EU applicants 1,232 (1,072)



1232

Entry through Prescribed Examination 26 (15)



Rejoining the Register

(Last year's figures in brackets)

1249

Readmissions 70 (76)



1232

Reinstatements 1,144 (1,540)



1232

Prescribed Examination 121 (147)



	2016	2015
Bank transfer	4,445	3,263
Cash	7	7
Direct Debit	11,440	12,074
Website	15,330	13,410
Credit card (by phone)	1,327	1,739
Cheques	3,181	3,478
Total number of fees collected	35,722*	33,971*

*Please note that this figure will differ from the Register figures due to prepayment, credit balances and refunds issued.



For the 2016 fee, there was a 14% increase in the payments taken online and a 36% increase on payments via bacs, which reflects our drive to use online tools.



Telephone Calls answered 1 January – 31 December 2016 22,018 (19,787) Average waiting time for telephone calls to be answered 14 seconds

ONLINE REGISTRATION STATISTICS

The following statistics, demonstrate the effectiveness of the online registration system.

Main routes to registration & Applications received online



1275

Total applicants via UK route was 1,275)



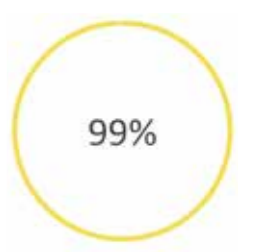
99%

of these applied online (all apps)



1232

Total applicants via EU route was 1,232



99%

of these applied online (all apps)

Facts & Figures

- Professional Standards

Maintaining Standards - Facts and figures

Complaints

In 2016, 166 formal complaints were considered by the ARB. Not all of these complaints were referred to the Investigations Pool, a number of them were either resolved under Standard 10 of the Code of Conduct, or were considered to be outside of ARB's remit.

Investigations Panel

In 2016, the Investigations Panel issued 73 decisions, this is comparable to last year's figure of 72.

Professional Conduct Committee

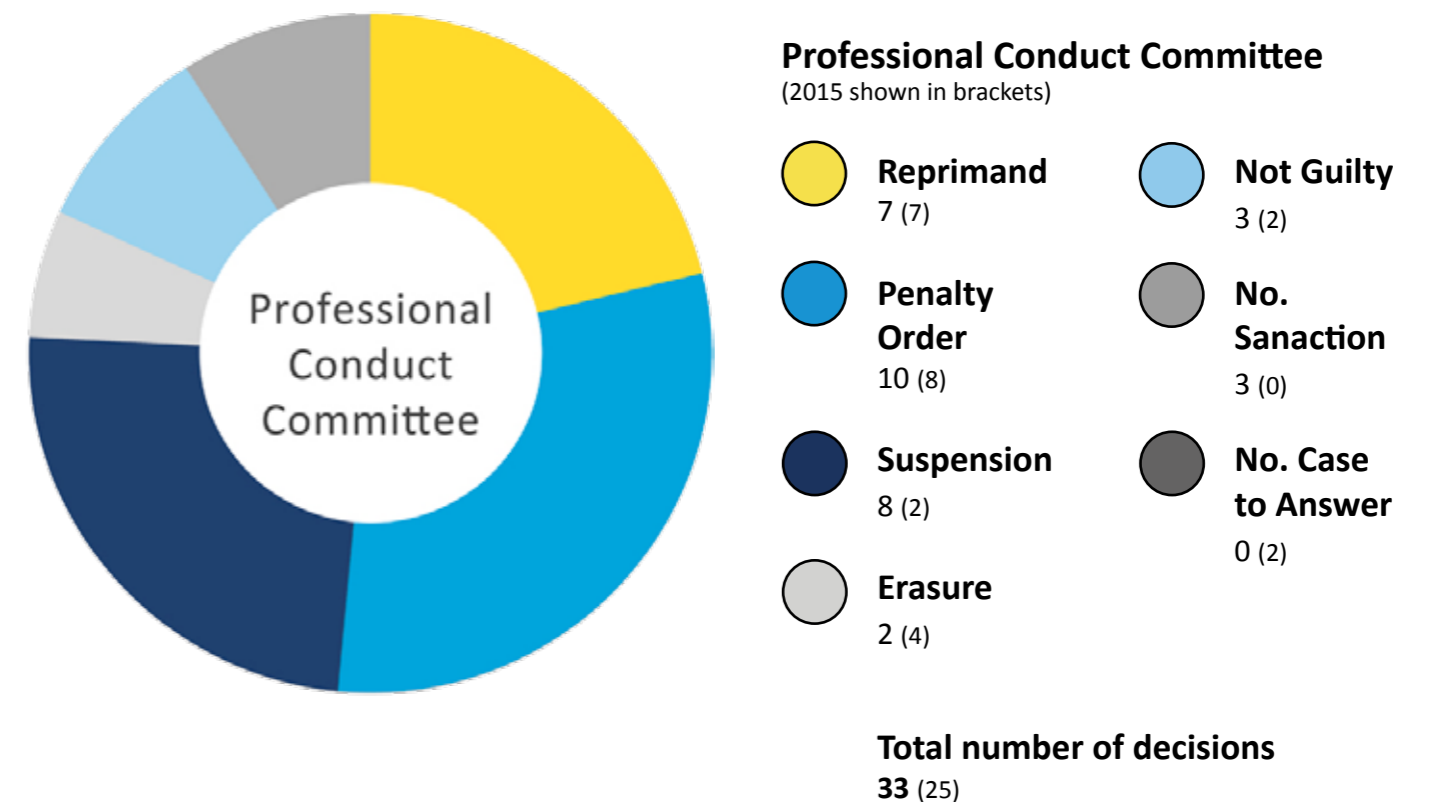
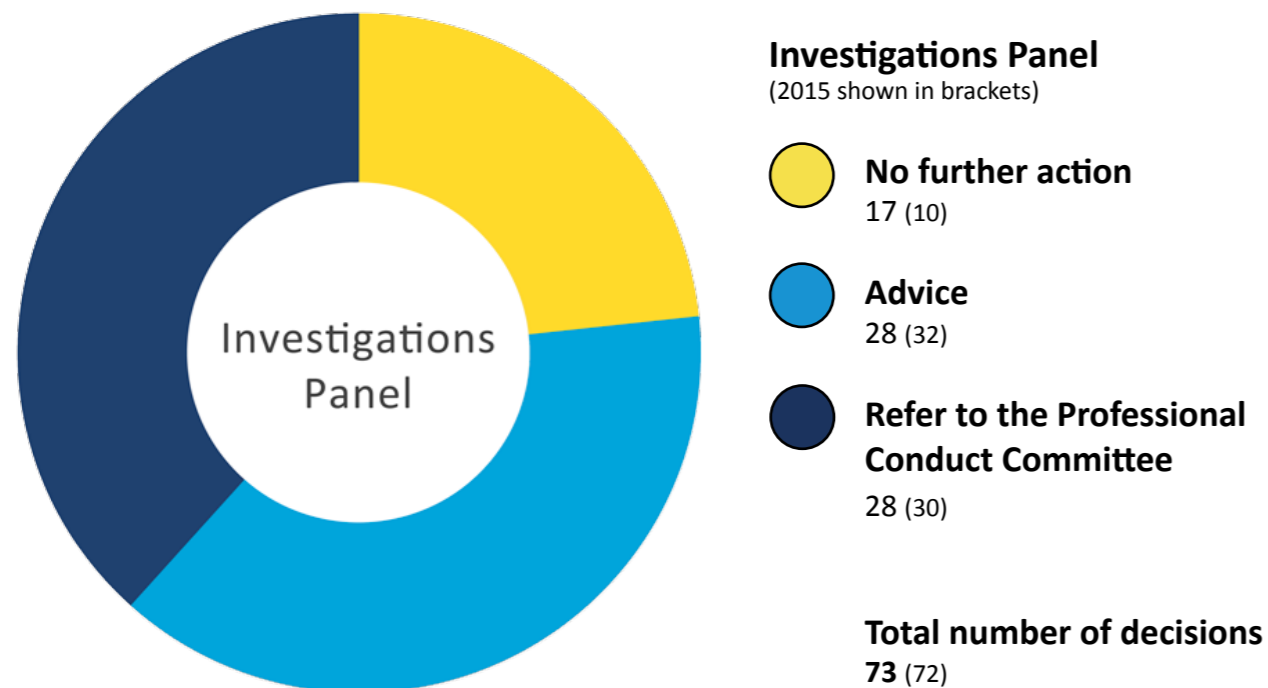
In 2016, the Professional Conduct Committee held 31 hearings and issued 33 decisions (two of the hearings concerned two architects from the same practice). This was a slight increase on last year's figure of 24.

Misuse of title

In 2016 there were 276 investigations into misuse of the title 'architect' under Section 20 of the Architects Act. This represents an increase of 15% compared to 2015 when 239 investigations were undertaken. Five of the investigations resulted in successful prosecutions. The average fine imposed by the Magistrates' Courts was £1,800 with an average of a further £3,295 being awarded to ARB in costs. 91% of cases met the target of 16 weeks for closure or referral to ARB's solicitor. This is comparable to last year's figure.

Of the investigations concluded in 2016, 26% of complaints originated from members of the public. The remainder originated from architects, professional bodies, or ARB initiating its own investigations.

Complaints 2016 - Facts and figures



Facts & Figures

- Recognising Qualifications

Prescribing Qualifications

In 2016 we renewed prescription of 21 qualifications from nine institutions.
In 2016 we granted prescription for the first time of four qualifications from four institutions.
In 2016 the turnaround time for applications for the renewal of prescription was an average of 25 weeks.
In 2015, the average time taken to process an application for the renewal of prescription was 23 weeks.
In 2016 we received and processed 46 annual monitoring submissions involving 120 qualifications.
In 2016 the average time taken to process an annual monitoring submission was four and a half weeks.
In 2016, 12 planning meetings took place at institutions seeking to renew or apply for prescription.

University Liaison

In 2016 53 presentations were delivered to students of architecture.
37 institutions were visited.
Around 2,800 students had the opportunity to attend our liaison sessions.
21 university liaison visits were for Part 1 groups.
13 university liaison visits were for Part 2 groups.
19 university liaison visits were for Part 3 groups.
Three visits were for other groups – Practice in the UK, a presentation on practice in Europe.
The busiest months for visits were January, February and October. These three months accounted for 55% of visits.

37

Institutions visited

55%

of visits were in Jan, Feb & Mar

Feedback

We no longer ask for individual student feedback but we do seek feedback from the Professional Studies Advisers (PSAs)/Part 3 Course Leaders. A selection of the PSAs' feedback in 2016 includes:

“Very many thanks for delivering such an excellent presentation to the M Arch students once again, we and the students very much value your kind support.”

“Thank you very much for coming to talk to us yesterday about ARB requirements and expectation. I found your seminar really interesting and useful.”
– from a student

“Thank you for your session with the students. They were very complimentary and it certainly got them thinking.”

“Feedback from the students has been enthusiastic and very positive, I do hope you will be able to join us again next year.”

37

Europe In 2016, 37 European qualifications from 10 member states were notified to the European Commission

37

In 2016, 1 UK title changes were approved by the European Commission

2

In 2016, 2 new UK Part 2 qualifications were notified to the European Commission for consultation with member states

Facts & Figures - Communications

Facts & Figures - Governance

In 2016 we issued five eBulletins with a monthly circulation* of over 11,413 people, compared to 9,919 in 2015.

In 2016 we attended three consumer shows to highlight the value of the Register.

In 2016 there were 300,000 sessions** on the ARB website.

In 2016 there were almost 285,000 sessions** on the ARB online Register.

In 2016 we answered 22,018 telephone calls.

*Since 2016 we have used unique open rate numbers to reflect email circulation. Previously we had used data for delivered messages but, due to many registrants providing us with multiple email addresses, and industry best practice reporting standards the statistic we use has changed.

**Previously we used the term 'unique visits' to refer to visits to our website but we have switched to 'sessions' which is the term used by google analytics.

In 2016 we welcomed three new lay members and four new architect members to the Board, they were elected via the architects election which also saw two architects being re-elected.

In 2016 the Board met five times.

In 2016 the Board had one development day to prioritise objectives.

In 2016 we dealt with 32 Freedom of Information and Data Protection requests, the total time spent dealing with these was 81 hours.

In 2016 all 15 Board members were appraised by the Chair.

In 2016 the Board undertook its fifth Board effectiveness review.

In 2016 the average number of staff during the year was 21.

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. In 2016, the Board was led by Beatrice Fraenkel, who was Chair for the first part of the year, followed by Peter Coe, who was elected as Chair in July. Richard Parnaby served as Vice-Chair throughout the year.

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 late 2015, in line with the Board's electoral scheme, we launched an election for the seven architects' positions that were due to become vacant on 1 April 2016. The election resulted in three architects being elected for a second term of four years (Richard Parnaby, Alex Wright and Soo Ware), and four new architects being elected for the first time (Jason Bill, Danna Walker, Sue Roaf and Guy Maxwell).

The DCLG also launched a recruitment process in late 2015, and appointed two new lay members to the positions which became vacant on 1 April 2016 and a further new member to the position which became vacant on 1 August 2016. The three new lay members were Suzanne McCarthy, Jagtar Singh and Carol Bernstein. 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 2016 was no exception: the Board undertook its annual effectiveness review at the end of the year. In November 2016 effectiveness questionnaires were prepared by the Foresight Centre for Governance and circulated to the Board, the Board's individual committees, the Operational Management Team and to appropriate advisers.

The review highlighted several areas where improvements and enhancements to the operation of the Board and its committees could be made and the Board began discussing the recommendations it wishes to take forward in early 2017. The most recent Board Effectiveness Survey Report including the recommendations resulting from the November 2016 survey was presented at the May 2017 Board meeting and can be viewed [here](#).

Governance - Accountability and transparency

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

ARB's Registrar and Chief Executive, Karen Holmes, is also the ARB's designated Accounting Officer. As well as being responsible for the day to day management of the office, and ensuring that her responsibilities under the Act are delivered, as Accounting Officer, Karen is also responsible for the safeguarding and handling of public funds. These responsibilities are set out in the Framework Agreement.

Every Accounting Officer is required to meet with representatives of the sponsoring Government Department on an annual basis. These meetings require accounting officers to demonstrate and evidence that they are fulfilling their duties appropriately, as well as providing opportunities to discuss any changes to the Government's expectations. These responsibilities were all successfully achieved in 2016.

In addition to the above, ARB has robust and transparent reporting mechanisms in place to ensure accountability at all levels within the organisation.

Board Accountability

The Board is responsible for setting out the strategic direction of the organisation and agrees an annual business plan. Members of the public can attend open sessions of our Board meetings, the details of which are available via our social media channels and our website. The minutes of these open sessions, along with all open session Board papers, are also published on our website. Information about the 2016 Board Meetings can be found [here](#). Board and committee members also undergo annual appraisals, where performance objectives are set each year.

Executive and Staff Team Accountability

The Board holds the executive and the staff to account by monitoring the delivery of the annual business plan. Members of the Operational Management Team, including the Registrar and Chief Executive, attend each of the five Board meetings which take place throughout the year. The Board receives written and verbal reports which detail the progress which has been made in relation to all areas of the business plan on a regular basis. Board members have the opportunity to raise queries and discuss the delivery of the Board's objectives at their meetings.

The staff team are committed to providing information which is timely, accessible and appropriate so that the Board can discharge its responsibilities effectively. Reports are provided to the Board on either an annual or biannual basis, which enable the Board to test and challenge progress in relation to all areas of the business plan. Throughout 2016, the Board received a series of reports which can be found in its open session board papers.

Whilst the majority of the Board's business is undertaken in open session, there are occasions where the Board is obliged to discuss matters in private. The Board's policy setting out what must be considered in confidential session can be found [here](#).

Governance - Freedom of Information

As a public body ARB is subject to the Freedom of Information Act 2000. One of the key requirements of the Act is that public authorities such as ARB must produce a publication scheme that sets out information that we make available to the public. In 2016 we reviewed the scheme, which included looking at what we publish on our website.

Updates were made and the revised publication scheme can be viewed [here](#).

Whilst most of the information we publish is current, there are cases when it is necessary to publish information retrospectively. Also, information is not available indefinitely, rather our approach is a practical one focussed on providing that which is relevant and up to date.

ARB is committed to operating in a way which is transparent and accountable and so, where possible, we make information available to the public. Due to our regulatory role certain information, such as that regarding professional conduct cases which are under investigation, cannot be made public.

The Information Commissioner's Office provides more detailed guidance on which information should, and should not, be published in accordance with the Freedom of Information Act.

In cases where stakeholders cannot find information they require, they can make requests under the Freedom of Information Act (FOIA) and the Data Protection Act (DPA). ARB received 32 requests for information under FOIA and DPA in 2016, compared to 42 in 2015.

ARB is legally required to respond to all FOIA requests within 20 working days (or 40 working days in relation to subject access requests under DPA). All requests were responded to within the statutory timescale.

One individual raised a complaint with the Information Commissioner after ARB refused to provide the information he sought. The Commissioner rejected that complaint, finding that ARB had correctly applied the proper statutory exemption under FOIA.

There were no data breaches reported to the Information Commissioner.

Governance - Equality and diversity

ARB is committed to operating in accordance with recognised principles of Equality and Diversity (E&D). We operate in accordance with the Public Sector Equality Duty, which means we must have due regard for the need to operate to eliminate discrimination, advance equality of opportunity, and foster good relations between different people when carrying out our activities.

We collect and publish E&D information about those on the Register of Architects. We also collect this information from other key stakeholders, such as those bringing complaints about architects. We use the information we collect to review our own processes to ensure that we are not adversely discriminating against an individual or group and, where possible, we publish aggregate E&D data about architects for others in the sector to use to inform thinking and debate.

In 2016, we improved our ability to collect this data by adding a function to the website to enable registrants to submit this data whilst accessing our online services to update their details. This proved successful and by the early 2017, we held E&D data for 47% of registrants, which represents a substantial increase on the data we held for 35% of registrants at the end of 2016.

A breakdown of the information held about those on the Register of Architects can be found in section seven of this Board report. We also collect information from other key stakeholders, such as those bringing complaints about architects, so that we can ensure that our own procedures and decision making processes do not discriminate against any particular group.

47%

**We currently hold Equality & Diversity information
for about 47% of all registered architects**

Governance - Complaints, consultations & feedback

ARB is committed to providing a high-quality, professional service to everyone who comes in to contact with us. We have been collecting feedback via various channels from a wide range of service users which include new registrants who have used the online application facility, candidates who have sat the Prescribed Examination, those who have used the complaints process up until the Investigation Panel, those who have made formal complaints via the Board's complaints procedure about our service and schools of architecture.

Amongst the feedback we collected in 2016, the information we received from those re-joining the Register and through our Customer Complaints Service was very helpful. For example in 2016 some registrants said they felt that the tone of the statutory notice and reminders was harsh and so these communications are being reviewed as part of a project reviewing the tone of voice of ARB correspondence.

Additionally, we received feedback from registrants who were removed for non-payment of the 2016 fee, who said that they had not received reminders. This led to us implementing additional measures to alert people to pay their retention fee including extra text messages and social media posts. We also benefitted from the support of professional bodies who shared information about the fee with their members. You can read more about the feedback we received in the 'Our role' section of this Report.

We are fully committed to engaging with our stakeholders and regularly consult with them on matters related to new or existing policies. We use our social media channels, our website and e-Bulletin to publicise the consultations we undertake each year. Where appropriate, we also reply to consultations run by other regulators and other organisations.

In 2016 we responded to two external consultations, one was run by the GMC, regarding developing the UK Medical Register to include additional information about registrants, and another was run by the General Osteopathic Council, regarding their Draft Guidance on Voluntary Removal Applications. You can read our submissions to both of these [here](#).

As part of our commitment to ensuring we are delivering our responsibilities, we built upon and continued to develop a series of internal reviews which look at our compliance with the Board's General Rules, the Framework Agreement 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 raises queries about each of the reviews that have been undertaken.

To date these reviews have confirmed that we are delivering our responsibilities. Notwithstanding this, we have highlighted several action points and areas where we could improve further and we will take these forward in 2017.

Governance - Compliance reviews

Transparency

Both the Board and Staff have continued to work on improving our transparency. Examples of how we are continuing to achieve this include:

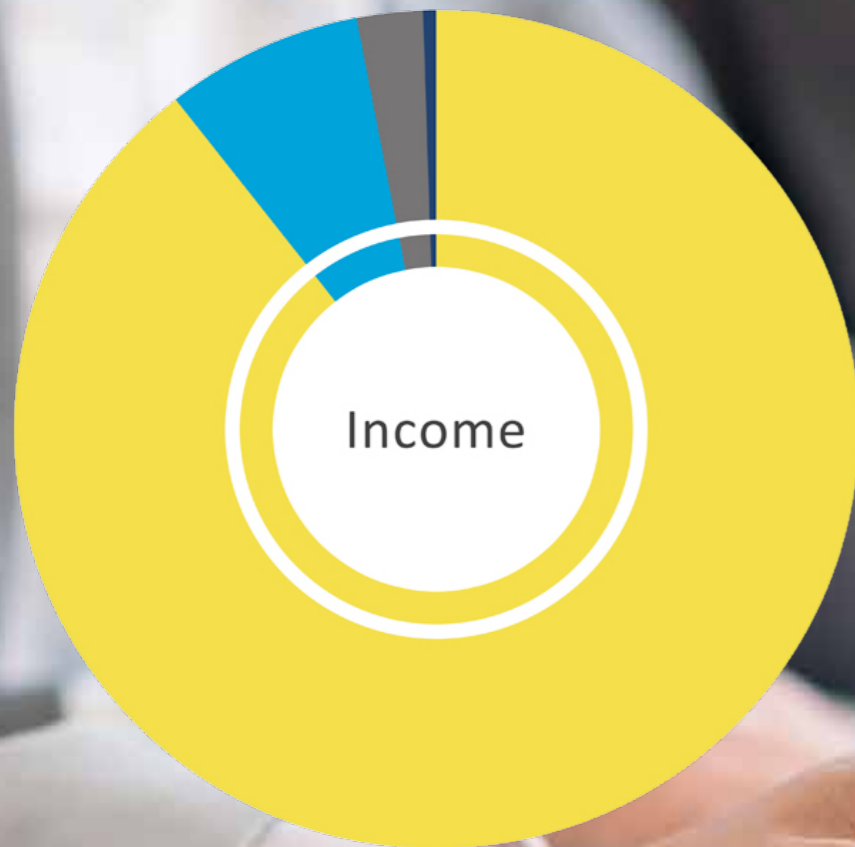
- Conducting the majority of Board business in open session, publishing the Board's agenda, papers and minutes via our website;
- Producing timely, up-to-date information, either annually or biannually, about our key activities and trends, and measuring these against our performance indicators;
- Publishing our annual business plan and reporting on the delivery and achievement of the objectives within the plan at the mid-year and the year-end points;
- Reviewing and updating our Publication Scheme;
- Complying with Government expectations, including the publication of all ARB payments over £500, publishing Board members' and Registrar's expenses; and
- Publishing Board members' biographies and a Register of Interests.

In 2015 we conducted a review of ARB's commitment to transparency, one of the outcomes of this was to update the organisation's Publication Scheme in 2016. This exercise was undertaken, as planned, to ensure that the Scheme continues to comply with the advice and guidance from the Information Commissioners Office.

Governance Statement

The Financial Statements section of this report, which has been signed off by our auditors, contains a governance statement from Karen Holmes, our Accounting Officer, and can be found [here](#).

Financial Highlights

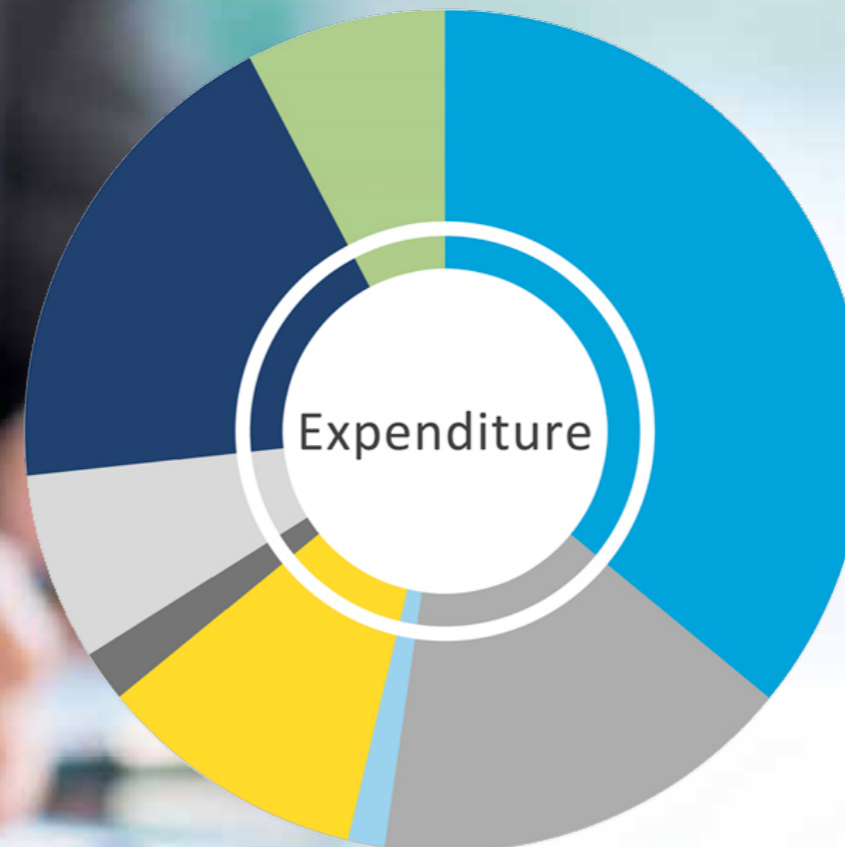


2016 Income

(2015 shown in brackets)

- **Retention Fees**
£4,103,211 (£3,905,069)
- **Registration & Prescribed Fees**
£347,374 (£394,568)
- **Investment Income**
£116,179 (£79,925)
- **Other**
£22,988 (£37,898)

Total
£4,589,752 (£4,417,460)



2016 Expenditure

(2015 shown in brackets)

- **Staff**
£1,368,788 (£1,223,276)
- **Offices**
£621,058 (£474,943)
- **Printing**
£53,693 (£52,860)
- **Computer Charges**
£395,369 (£309,734)
- **Board Expenses**
£74,717 (£53,853)
- **General legal, specialist advice & insurance**
£275,010 (£265,897)
- **Regulation**
£724,541 (£682,652)
- **Other Administrative costs**
£292,255 (£304,182)

Total:
£3,805,431

Annual Report and Financial Statements 2016

ARCHITECTS REGISTRATION BOARD ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016 PERFORMANCE REPORT

Overview

Statement of the Registrar & Chief Executive, Karen Holmes, on the performance of the Architects Registration Board in 2016.

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 statutory functions include:

- Prescribing – or 'recognising' – the qualifications needed to become an architect
- Keeping the 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 consumer
- Supporting architects through regulation

A Board of 15 members, seven of whom are architects elected by the profession, and the remaining eight being non-architects appointed by the Privy Council, oversees the work of ARB.

ARB has a permanent staff of 23, 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 found 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.

As a statutory body, ARB is naturally risk-averse as risk is often seen in financial terms as having an adverse impact on ability to deliver. ARB works to minimise and control risk by taking an appropriate and proportional approach to it.

A number of key risks have been identified that could affect ARB's ability to deliver its objectives being:

Periodic Review

The key risk during 2016 was the impact the on-going, Periodic Review had on ARB's ability to fulfil its statutory obligations effectively as well as having to defer a number of projects. This uncertainty created the potential for the credibility of ARB to be undermined.

Capacity Risk

The uncertainty created by the delayed outcome of the Periodic Review created significant human resource risks. However, the organisation continued to successfully deliver its statutory functions. Alongside the on-going challenges that the delayed Periodic Review presented, 2016 saw a continued increase in the number of new applications received from architects wishing to join the Register.

The increase in workload in the area of registration and other areas within the organisation created a heightened capacity and resource risk during 2016.

This was mitigated by the use of temporary resources, use of professional advisors and a committed flexible workforce which enabled the organisation to continue to deliver its statutory functions during a period of increased demand. In November 2016 the Board increased the maximum permanent staff headcount from 22 to 23 members of staff.

Legal Challenge

There continues 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. During 2016 an appeal against a decision of the Professional Conduct Committee was successfully defended. Rather than being an unexpected risk, it is accepted that, as a regulator that ARB could face challenges to the decisions it makes through the course of its business.

Those challenges can be costly and create reputational risk, but robust procedures are in place to ensure that decisions are reached fairly and in line with the law. Appropriate insurance arrangements are in place to mitigate the financial risks arising from legal challenge.

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, the performance of ARB in 2016 was good. Most objectives for the year were met other than those which had to be postponed pending the outcome of the Periodic Review, and plans were put in place to address the areas in which performance can be improved in 2017. There were no areas in which performance was unacceptable.

Further details can be found in the Performance Analysis below.

Annual Report and Financial Statements 2016

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 Key Performance Indicators

Delivery of objectives against the Business Plan

In 2016 there were 28 objectives set out in the Business Plan. Success in the delivery of these objectives is assessed via a traffic light system. 21 of the objectives were fully delivered, while three objectives had to be deferred due to the on-going Periodic Review. There were four objectives that were partially delivered or delivered with only partial success.

The full breakdown of the delivery of ARB's objectives can be found in ARB's 2016 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-2017/february-agenda-16-02-2017/>

In summary:

21 ARB has successfully delivered the item of work to a satisfactory standard

4 ARB delivered the majority of the item or delivered only with partial success

0 ARB has not delivered the item or performance has been unsatisfactory

3 No outcome due to Periodic Review so item of work undeliverable

Delivery of core-work against agreed Key Performance Indicators

The Board has set Key Performance Indicators by which the organisation has to perform in relation to its core activities. On-going performance is reported biannually both statistically and using the traffic light system.

ARB's performance has generally improved from the previous year; this is notable because of the increase in workload in some areas and a continued growth in the number of architects on the Register, which is larger than ever before.

Performance indicator	Target for 2016	Performance	Traffic light
Maintaining the quality of the Register			
UK route registration-no. of days to process	90% within 15 (working) days	93% (96% in 2015)	Green
Automatic European route registration- no. of days to process	90% within 15 (working) days	84 % (82% in 2015)	Yellow
Reinstatements & Readmissions within 2 years	90% within 5 (working) days	93% (90% in 2015)	Green
Maintain the standard of conduct and practice of architects			
Complaints in office – No. of weeks from date of receipt to IP referral or closure	80 % within 16 weeks	86% (94% in 2015)	Green
Complaints with IP – No. of weeks from referral of case to issue of final decision	80 % within 12 weeks	81% (81% in 2015)	Green
PCC Reports – No. of weeks from referral to production of Board solicitor's Report	80 % within 12 weeks	64% (71% in 2015)	Yellow
PCC Hearing date – No. of weeks from receipt of Board solicitor's Report to PCC hearing	80 % within 16 weeks	68% (91% in 2015)	Yellow
Maintain the standard of conduct and practice of architects			
Title complaints in office – No. of weeks from date of receipt to referral to Board's solicitor or closure	80 % within 16 weeks	91% (90% in 2015)	Green
Title complaints with Board's solicitor to conclusion–No. of weeks from date of referral to non-prosecution conclusion/ summons	80 % within 12 weeks	71% (71% in 2015)	Yellow

Signed by
 Karen Holmes
 Karen Holmes, Registrar and Chief Executive (Accounting Officer)
 12/05/2017



Annual Report and Financial Statements 2016

ACCOUNTABILITY REPORT Corporate Governance Report

Board Report

Administration Office 8 Weymouth Street London W1W 5BU	Bankers National Westminster Bank Plc 125 Great Portland Street London, W1A 1GA	Auditors Crowe Clark Whitehill LLP St Bride's House 10 Salisbury Square London, EC4Y 8EH
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Board Chair – Beatrice Fraenkel was Chair of the Board to 14 July 2016. Peter Coe was elected Chair of the Board from 15 July 2016 onwards until 16/02/17. Nabila Zulfiqar was elected Chair with effect from 16 March 2017.

Leadership – Karen Holmes was Registrar and Chief Executive throughout 2016.

Board Membership 2016

Carol Bernstein	Appointed (From 01/08/16)	John Assael	Elected (Retired 31/03/16)
Peter Coe	Appointed	Jason Bill	Elected (From 01/04/16)
Beatrice Fraenkel	Appointed (Retired 31/07/16)	Ruth Brennan	Elected (Retired 31/03/16)
Alan Jago	Appointed	Hans Eisner	Elected (Retired 31/03/16)
Myra Kinghorn	Appointed (Retired 31/03/16)	Guy Maxwell	Elected (From 01/04/16)
Ros Levenson	Appointed	Andrew Mortimer	Elected (Retired 31/06/16)
Suzanne McCarthy	Appointed (From 01/04/16)	Richard Parnaby	Elected (From 01/04/16)
Jagtar Singh	Appointed (From 01/04/16)	Susan Roaf	Elected (From 01/04/16)
Neil Watts	Appointed	Danna Walker	Elected (From 01/04/16)
Nabila Zulfiqar	Appointed	Susan Ware	Elected (From 01/04/16)
		Alex Wright	Elected (From 01/04/16)

Chairs of Committees

Committee	Chair
Audit Committee	Myra Kinghorn (Until 31/03/16) Suzanne McCarthy (From 01/04/16)
Investigation Oversight Committee	Nabila Zulfiqar
Prescription Committee	Alan Jago
Remuneration Committee	Alan Jago

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/>

The Register of Interests is brought to each Board meeting, and Board members are required to declare any interest they may have in any of the Boards business on the agenda, prior to the discussion of that item taking place. Declarations are recorded in the minutes.

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 2016 a complaint was made to the Information Commissioner about ARB's response to a request for information under the Freedom of Information Act 2000. The Information Commissioner upheld ARB's handling of the request.

Equality and Diversity

The Board receives an annual progress report on Equality and Diversity. This report was presented to the Board in November 2016. In February 2017, 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.

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 have 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.

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 2016 we saved the equivalent 81 trees (75 in 2015) by recycling and 4,740 kilos of paper (4,365 in 2015). The volume of printing increased during 2016 by 9% and the amount recycled increased by 8%. The increase in recycling was due to the increase in printing. We continue to be 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 switched off at night, lights are turned off at night, some rooms have been fitted with sensor switches to ensure light are only on when room is in operation and heating is zoned and timed.

Annual Report and Financial Statements 2016

ACCOUNTABILITY REPORT Corporate Governance Report

Board Report

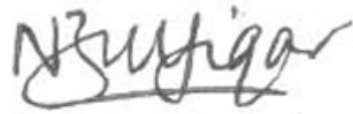
Employee involvement

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 end of 2016 we carried out a staff engagement survey, the outcome of which was sufficiently positive that the overall conclusion drawn from the results was that ARB had an engaged workforce.

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.

Approved and signed on behalf of the Board



Nabila Zulfiqar
12/05/2017

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 and the Department for Communities and Local Government (DCLG), the Architects Registration Board will prepare financial statements for each financial year in the form and on the basis set out in the Accounts Direction issued by the DCLG. The financial statements are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Architects Registration Board 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 Department for Communities and Local Government, 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 DCLG has appointed the Registrar as Accounting Officer of the Architects Registration Board. 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 Architects Registration Board’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)
12/05/2017

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 the 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. As detailed above, the membership of the Board comprises of 15 members. Eight members are appointed (lay) members, who are appointed by the Privy Council after advice from the Secretary of State of the DCLG. 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 above in the Board Report.

The Board met five times during 2016 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. Details of Board member attendance at Board and Committee meetings together with expenses and attendance allowances claimed are published annually and are reported on within these 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.

Annual Report and Financial Statements 2016

Declarations of interests are collected at least annually and published on ARB's website. At all meetings declarations 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 Annual 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 2016 included the prescription of new qualifications in architecture, introducing a new Architects' Code of Conduct and setting the retention and other fees and the 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 shown 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 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 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 also sets aside development sessions, which allow 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. In 2016, in addition to feedback provided by individual Board members and the auditors, Committees also conducted their own effectiveness review. 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.

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 and objectives, policies, objectives and statutory responsibilities.

During 2016 specific consideration was given to the impact of the continuing Periodic Review, the possible implications of the EU referendum 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 2016 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.

Annual Report and Financial Statements 2016

Capacity to Handle Risk

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

ARB has a Risk Register in, which are logged and tracked risks faced by ARB. 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.

ARB's Risk Register has been divided into different risk categories: Governance Risk; Reputational Risk/Resource Risk; and Risk to Effective Delivery of Statutory Functions. Each risk level is then quantified using the likelihood and impact method. Controls are identified and actions put in place for each risk. A Risk Manager is assigned to the risk and a Risk Owner specified.

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 2016, the internal audit programme covered Human Resources, Cyber Security and Investment Management.

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 a verbal updates given by the Chair of the Committee. In addition to the internal audit programme, the management team undertook a series of internal compliance reviews, including compliance reviews of the ARB/DCLG Framework agreement and the Scheme of Decision Making.

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 regular 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 2016 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.

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 review 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;
- Errors log for procedures within ARB;
- Board and Committee papers for new or revised policies include an assessment of risk resource and equality implications;
- Staff and Board undertake horizon scanning of the organisation risk landscape
- Regular reviews of investment and reserves policies;
- Whistleblowing policy, Fraud and Bribery prevention policies are in place and regularly reviewed
- Staff training, including fire safety and information security training undertaken regularly;
- Regular reviews of operating procedures and an ethos of continuous improvement;
- Stringent budgeting process, linked to the annual Business Plan and three year forecasts;
- A Scheme of Delegated Authority, (Scheme of Decision Making) in place and is regularly reviewed and agreed by the Board;
- A financial procedures manual in place and regularly updated to reflect current practice
- Internal compliance reviews, undertaken of the Architects Act and ARB/DCLG Framework Agreement 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 2016

The key risk during 2016 was the impact, the on-going Periodic Review had on ARB's ability to fulfil its statutory obligations effectively. This on-going uncertainty created the potential for the credibility of ARB to be undermined, delayed the commencement of some planned projects and increased the risks surrounding the retention and recruitment of staff.

Whilst managing the risks surrounding the Periodic Review the organisation continued to successfully deliver its statutory functions. Alongside the on-going challenges the delayed completion of Periodic Review 2016 saw an ongoing increase in the number of new applicants wishing to join the Register. The increased workload heightened the capacity and resource risk during 2016. This risk was mitigated by the use of temporary resources and the flexible approach and commitment of the staff, which enabled the organisation to continue to deliver its statutory functions during a period of increased demand.

Annual Report and Financial Statements 2016

There continues 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. During 2016, an appeal was heard by the High Court against a decision of the Professional Conduct Committee. Although that appeal was dismissed in ARB's favour, a further application to appeal that decision was made to the Court of Appeal. That application remains outstanding. Although all regulators may expect legal challenges to their decisions, such actions can be costly and increase reputational risk. ARB will continue to learn from all challenges and their outcomes, and regularly reviews 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.

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.

Signed by



Karen Holmes, Registrar and Chief Executive (Accounting Officer)
12/05/2017

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.

From January to May 2016 the Remuneration Committee was made up of 3 Board members; Alan Jago (Chair), Beatrice Fraenkel and Susan Ware. From May 2016 the Committee comprised of Alan Jago, (Chair), Peter Coe and Richard Parnaby. Further information on attendance at these meetings can be found in the Board Allowances and Expenses Section below.

The Committee produces an annual report on 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:

	2016		2015	
	Male	Female	Male	Female
Registrar & Chief Executive	0	1	0	1
Permanent Staff	7	10	7	9
Fixed Term / Temporary	1	2	1	2
TOTAL Split	8	13	8	12
TOTAL Employees	21		20	

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 and performance reviews 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 disabled and able bodied staff is supported by the range of benefits offered by the organisation.

Staff training needs are identified at performance appraisals 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. Opportunities for promotion are advertised internally for two weeks before a decision is made about advertising externally.

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.

Annual Report and Financial Statements 2016

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 2016 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 2016, 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 2016 was £118,000 (2015, £107,500). This is 3.26 times (2015 3.17 times) the median remuneration of the workforce, which was £36,213 (2015, £37,033). 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 2016.

Staff Turnover

Staff turnover for 2016 was 14% (10% 2015). 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 19.8 full time employees was 56.5 days (54 in 2015). This is equivalent to 2.8 days per employee, the same as in 2015.

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 2016.

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 £250 (held since July 2010) per day for attending Board meetings and participating in other Board business and Committees. Reading time for meetings was extended to cover all Board and Committee meetings from 1 December 2016.

The total attendance and reading allowances paid during 2016 were £66,978 (2015: £52,395), which includes allowances paid to Board members for their roles as members of other Committees. Board members are also able to claim travel and subsistence expenses. Expenses totalling £17,008 (2015: £14,251) were claimed during the year.

There were five Board meetings held during 2016. The average attendance at each meeting was 13 Board members. Further details can be found in the Board Allowances and Expenses Section below.

A summary of Board and Committee attendance allowance and expenses paid in 2016:

Amount	Number of Board Members
Less than 1k	4
1k less than 6k	11
6k less than 10k	16

Signed by:



Karen Holmes, Registrar and Chief Executive (Accounting Officer)
12/05/2017

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

We have audited the financial statements of the Architects Registration Board for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Cash flows, Statement of Changes in Reserves and related notes numbered 1 to 25.

The financial reporting framework that has been applied in their preparation is applicable law and the 2016/17 Government Financial Reporting Manual (FRM) which applies International Financial Reporting Standards as adopted by the European Union (IFRSs).

This report is made solely to the Board Members of the Architects Registration Board, 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 Architects Registration Board and the Board Members as a body, for our audit work, for this report, or for the opinions we have formed.

Annual Report and Financial Statements 2016

Respective responsibilities of the Board, Accounting Officer and auditor

As explained more fully in the Statement of the Board's and Accounting Officer's responsibilities, 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. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Architects Registration Board's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Architects Registration Board; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Board's Report and any other surround information to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Architects Registration Board's affairs as at 31 December 2016 and of its surplus for the year then ended;
- have been properly prepared in accordance with the Government Financial Reporting Manual (FRM).

Crowe Clark Whitehill LLP

8 June 2017

Crowe Clark Whitehill LLP
Statutory Auditor
London

ARCHITECTS REGISTRATION BOARD STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Notes		2016	2015
		£	£	£
OPERATING INCOME				
Registration and retention fees	3	4,240,817		4,051,035
Prescribed examinations		209,768		248,602
Penalties and sundry receipts	4	22,988		37,898
Investment income	5	116,179		79,925
Total operating income		4,589,752		4,417,460
EXPENDITURE				
Employee salaries and benefits	6	1,368,788		1,223,276
Office costs	7	621,058		474,943
		1,989,846		1,698,219
Printing and records	8	53,693		52,860
IT charges	9	395,369		309,734
Board allowances and expenses		74,717		53,853
Legal and other professional charges	10	999,551		953,549
Other administrative expenses	11	292,255		304,182
		1,815,585		1,674,178
Total operating expenditure		3,805,431		3,372,397
OPERATIONAL SURPLUS FOR THE YEAR			784,321	1,045,063
Net gains / (losses) on investments			375,934	(100,457)
SURPLUS FOR THE YEAR BEFORE TAXATION			1,160,255	944,606
Taxation	19		(80,188)	31,736
RETAINED SURPLUS FOR THE YEAR			1,080,067	976,342
RESERVES AT THE START OF THE YEAR			3,901,039	2,924,697
RESERVES AT THE END OF THE YEAR			4,981,106	3,901,039

There are no recognised gains and losses other than those included above. All activities are continuing.

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ARCHITECTS REGISTRATION BOARD STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2016

	Notes	2016	2015
		£	£
NON-CURRENT ASSETS			
Property, plant and equipment	12	169,256	209,493
Intangible assets	13	132,599	126,638
Investments	14	5,716,910	4,137,901
Total non-current assets		6,018,765	4,474,032
CURRENT ASSETS			
Trade and other receivables	15	496,480	185,149
Cash and cash equivalents		2,869,748	3,198,764
Total current assets		3,366,228	3,383,913
TOTAL ASSETS		9,384,993	7,857,945
CURRENT LIABILITIES			
Trade and other payables	16	381,809	308,658
Deferred income		4,022,078	3,648,248
Total current liabilities		4,403,887	3,956,906
ASSETS LESS LIABILITIES		4,981,106	3,901,039
RESERVES			
Designated reserve		103,000	114,000
Operational reserve		4,609,026	3,654,047
Revaluation reserve		269,080	132,992
TOTAL RESERVES		4,981,106	3,901,039

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



Board Member



Board Member



Accounting Officer

ARCHITECTS REGISTRATION BOARD STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015	
	£	£	£
CASH FLOWS FROM OPERATING ACTIVITIES			
Operational surplus for the year		784,321	1,045,063
Adjustments for non-cash transactions			
Depreciation and amortisation	180,612		180,084
Changes in operating assets and liabilities			
(Increase) in trade and other receivables	(311,331)		(32,481)
Increase in trade, other payables and deferred income	446,981		224,533
Net cash from operating activities	316,262		372,136
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Proceeds from the sale of investments	2,288,133		1,613,039
Purchase of investments	(3,491,208)		(2,652,381)
Purchases of property, plant and equipment and intangible assets	(146,336)		(132,051)
Net cash decreases from investing activities	(1,349,411)		(1,171,393)
Taxation		(80,188)	31,736
Net (decrease) / increase in cash and cash equivalents		(329,016)	277,542
Cash and cash equivalents at the start of the year		3,198,764	2,921,222
Cash and cash equivalents at the end of the year		2,869,748	3,198,764

All cash is represented by cash in hand

Annual Report and Financial Statements 2016

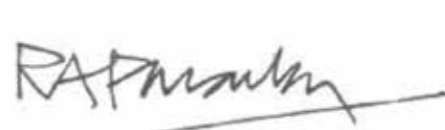
ARCHITECTS REGISTRATION BOARD STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2016

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Board Member



Board Member



Accounting Officer

ARCHITECTS REGISTRATION BOARD STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2016

	2016	2015	
	£	£	£
CASH FLOWS FROM OPERATING ACTIVITIES			
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ARCHITECTS REGISTRATION BOARD STATEMENT OF CHANGES IN RESERVES AT 31 DECEMBER 2016

	Designated Reserve	Operational Reserve	Revaluation Reserve	Total Reserves
	£	£	£	£
Balance at				
1 January 2016	114,000	3,654,047	132,992	3,901,039
Movement for the year	–	943,979	136,088	1,080,067
Transfer between reserves	(11,000)	11,000	–	–
Balance at				
31 December 2016	103,000	4,609,026	269,080	4,981,106

At 31 December 2016, designated reserves represented the IT renewal fund (£42,000 – to cover the cost of ensuring that the organisation’s computer systems remain up to date and efficient), the Election Fund (£20,000 – set up to cover the cost of the triennial election of ARB Board) and the Maintenance Reserve (£41,000 – set up to cover the regular cost of redecoration of the offices in accordance with the terms of the lease).

At the 31 December 2015, 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 FOR THE YEAR ENDED 31 DECEMBER 2016

1. GENERAL INFORMATION

The Architects Registration Board is incorporated under the Architects Act 1997. ARB’s principal address is shown at the top of the page. 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 Department for Communities and Local Government (DCLG).

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 2016-17 Government Financial Reporting Manual (FRM) issued by HM Treasury.

Where the FRM 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. There were no new standards issued at the date of reporting that are required to be applied by the ARB.

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.

e) 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.

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ARCHITECTS REGISTRATION BOARD NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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 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		
	2016	2015
	£	£
Registration fees	137,606	145,966
Retention fees	4,103,211	3,905,069
	4,240,817	4,051,035

4. REVENUE – PENALTIES AND SUNDRY RECEIPTS		
	£	£
Penalties paid on reinstatement to the Register	10,990	29,752
Sundry receipts	11,998	8,146
	22,988	37,898

5. INVESTMENT INCOME		
Income from investment portfolio	105,483	71,845
Interest on bank deposits	10,696	8,080
	116,179	79,925

6. STAFF COSTS		
Wages and salaries	985,805	899,229
Social security	116,496	105,297
Other pension costs	109,669	93,595
Medical and permanent health insurance	30,253	32,107
Recruitment costs	29,152	8,273
Staff training	16,176	20,925
Temporary staff	81,237	63,850
	1,368,788	1,223,276
	No.	No.
Staff numbers (average full time equivalent permanent staff)	21	20

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ARCHITECTS REGISTRATION BOARD NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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

	No.	No.
£75,000 – £79,999	3	2
£115,000 – £119,999	1	1

Payments were made into defined contribution pension schemes totalling £43,965 (2015: £31,556) in respect of these employees.

7. OFFICE COSTS	2016	2015
	£	£
Rent & Service Charges	282,715	163,597
Rates	114,776	97,658
Building related costs	65,886	56,044
Insurance	7,955	6,170
Electricity	14,761	18,572
Office cleaning	24,326	24,706
Postage and telephone	44,407	43,707
Maintenance of office equipment	12,124	10,853
Depreciation: leasehold improvements	51,732	51,733
Depreciation: furniture and equipment	2,376	1,903
	621,058	474,943
8. PRINTING AND RECORDS		
Printing	46,265	44,022
Stationery	6,303	6,560
Journals and newspapers	1,125	2,278
	53,693	52,860
9. IT CHARGES		
Depreciation and amortisation: IT equipment and development	126,506	126,448
IT costs	268,863	183,286
	395,369	309,734

10. LEGAL AND OTHER PROFESSIONAL CHARGES		
Remuneration to external auditors:		
External audit services	19,080	18,720
Other services – corporation tax compliance advice	1,260	1,230
– employment tax advice	828	786
Legal expenses and professional charges – regulation	724,541	682,652
General legal, specialist advice and insurance	253,842	250,161
	999,551	953,549

Remuneration to external auditors shown above is inclusive of VAT. Excluding VAT external audit fees were £15,900, fees for corporation tax compliance were £1,050 and fees for employment tax compliance advice were £690.

11. OTHER ADMINISTRATION EXPENSES	2016	2015
	£	£
Bank charges	43,186	53,174
Staff travel expenses	14,659	13,936
Prescribed examination	92,224	112,537
Prescription & Qualifications	56,113	48,952
ACE & ENACA	37,610	33,549
Public and professional awareness	36,176	33,405
Sundry expenditure	12,287	8,629
	292,255	304,182

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ARCHITECTS REGISTRATION BOARD NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

12. PLANT AND EQUIPMENT	Leasehold improvements	Office furniture & equipment	IT equipment	Total
	£	£	£	£
Cost				
At 1 January 2016	517,325	109,421	250,820	877,566
Additions	–	2,365	60,574	62,939
Disposals	–	–	–	–
At 31 December 2016	517,325	111,786	311,394	940,505
Accumulated depreciation				
At 1 January 2016	362,128	105,659	200,286	668,073
Charge for the year	51,732	2,376	49,068	103,176
Disposals	–	–	–	–
At 31 December 2016	413,860	108,035	249,354	771,249
Carrying amount				
At 31 December 2016	103,465	3,751	62,040	169,256
<i>At 31 December 2015</i>	<i>155,197</i>	<i>3,762</i>	<i>50,534</i>	<i>209,493</i>
13. INTANGIBLE ASSETS				Total
				£
Cost				
At 1 January 2016				421,440
Additions				83,397
At 31 December 2016				504,837
Accumulated depreciation				
At 1 January 2016				294,802
Charge for the year				77,436
At 31 December 2016				372,238
Carrying amount				
At 31 December 2016				132,599
<i>At 31 December 2015</i>				<i>126,638</i>

Intangible assets include capitalised IT development and software

14. INVESTMENTS	2016	2015
	£	£
At market value		
At start of year	4,137,901	3,199,016
Additions	3,491,208	2,652,381
Disposal proceeds	(2,288,133)	(1,613,039)
Net gains on investments	375,934	(100,457)
At end of year	5,716,910	4,137,901
Cost at end of year	5,447,830	4,004,910

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

15. TRADE AND OTHER RECEIVABLES	£	£
Other receivables (employee season ticket loans)	17,965	21,264
Cash in Transit	321,244	4,352
Prepayments	157,271	141,058
Corporation Tax	–	18,475
	496,480	185,149

Cash in transit relates to credit card payments taken but not transferred over to ARB bank account by the merchant at the year end. All cash in transit was received in ARBs bank account in January 2017. There are no impaired financial assets.

16. TRADE AND OTHER PAYABLES	£	£
Trade payables	41,527	48,719
Corporation tax	60,621	–
Other taxation and social security	60,009	58,913
Accruals	219,652	201,026
	381,809	308,658

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

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ARCHITECTS REGISTRATION BOARD NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

17. PENSIONS

The Staff Pension Scheme is a defined contribution scheme. The cost of contributions during the period was £109,669 (2015: £93,595). 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	
	2016	2015
	£	£
Between one and five years	598,282	864,185

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% 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 2016 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 during the year to 31 December 2016 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.

24. 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 five 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 8.0% versus the benchmark's 9.8%. 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.

Treasury reserve – Monies not required for short-term working capital are invested in higher interest accounts with ARB bankers.

25. RESERVES

The Board's reserves policy is to:

Hold a minimum of the estimated wind-up costs, assessed annually. When calculating this figure, unrealised profit on investments will be included.

The operating reserves fund should not drop below four months' operating costs

At the end of the 2016 financial year, the level of reserves was sufficient to cover the estimated wind up costs, as required by the framework agreement with the DCLG. The Board is due to review its policy in September 2017.

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ARCHITECTS REGISTRATION BOARD YEAR ENDED 31 DECEMBER 2016 BOARD ALLOWANCES AND EXPENSES

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.

Board Member	Attendance Allowance	Reading	Train/Tube	Air	Car/Parking	Taxi	Hotel	Subsistence	Total
	£	£	£	£	£	£	£	£	£
John Assael									
Carol Bernstein	2,125.00	550.00	46.40	-	-	-	-	-	2,721.40
Jason Bill	4,300.00	250.00	1,170.70	-	-	-	372.00	318.53	6,411.23
Ruth Brennan	750.00	-	207.40	-	32.00	-	186.00	26.75	1,202.15
Peter Coe	5,100.00	500.00	-	-	-	-	-	-	5,600.00
Hans Eisner	250.00	-	9.20	-	-	10.00	375.00	10.00	654.20
Beatrice Fraenkel	5,250.00	-	297.70	-	67.20	211.50	558.00	141.81	6,526.21
Alan Jago	5,875.00	925.00	287.45	-	-	-	184.00	2.50	7,273.95
Myra Kinghorn	750.00	-	11.10	-	-	-	-	-	761.10
Ros Levenson	2,750.00	250.00	-	-	142.90	-	-	-	3,142.90
Guy Maxwell	3,500.00	350.00	1,816.65	-	-	-	1,240.50	72.50	6,979.65
Suzanne McCarthy	2,275.00	250.00	48.60	-	-	14.00	-	-	2,587.60
Andrew Mortimer	750.00	-	35.10	-	-	-	-	-	785.10
Richard Parnaby	3,375.00	150.00	1,449.65	-	-	10.00	396.00	18.50	5,399.15
Sue Roaf	2,050.00	200.00	947.94	109.00	-	215.80	536.35	157.70	4,216.79
Jagtar Singh	1,500.00	229.30	-	-	10.10	17.80	343.00	-	2,100.20
Danna Walker	2,375.00	-	-	-	-	-	-	-	2,375.00
Susan Ware	2,500.00	-	-	-	-	-	-	-	2,500.00
Neil Watts	3,625.00	5,100.00	731.95	-	175.80	-	266.65	-	9,899.40
Alex Wright	4,750.00	1,900.00	1,961.00	-	-	8.00	380.89	177.96	9,177.85
Nabila Zulfiqar	2,250.00	225.00	1,281.40	-	114.00	-	184.00	-	4,054.40
Total	56,100.00	10,879.30	10,302.24	109.00	542.00	487.10	5,022.39	926.25	84,368.28

Attendance

Board Member	Board Meetings	Additional Board Days	Prescription Committee	Remuneration Committee	Audit Committee	Investigations Oversight Committee
John Assael (Retired 31/03/16)	(1) 0		(3) 3			
Carol Bernstein (From 01/08/16)	(2) 1		(3) 2		(1) 1	
Jason Bill (From 01/04/16)	(4) 3	(1) 1			(2) 2	
Ruth Brennan (Retired 31/03/16)	(1) 1				(1) 1	
Peter Coe (Chair from 15/07/16)	(5) 5	(1)	(5) 4	(4) 3		
Hans Eisner (Retired 31/03/16)	(1) 1					
Beatrice Fraenkel (Chair until 14/07/16) (Retired 31/07/16)	(3) 3	(1) 1		(1) 1		
Alan Jago	(5) 4	(1) 1	(9) 9	(4) 4		
Myra Kinghorn (Retired 31/03/16)	(1) 1				(1) 1	
Ros Levenson	(5) 5	(1) 1			(3) 3	(1) 1
Guy Maxwell (From 01/04/16)	(4) 4	(1) 1	(6) 6			
Suzanne McCarthy (From 01/04/16)	(4) 4	(1) 1			(2) 2	
Andrew Mortimer (Retired 31/03/16)	(1) 1				(1) 1	
Richard Parnaby	(5) 4	(1) 1	(3) 1	(4) 2		
Sue Roaf (From 01/04/16)	(4) 3	(1) 1			(2) 2	
Jagtar Singh (From 01/04/16)	(4) 2	(1) 1				(2) 2
Dana Walker (From 01/04/16)	(4) 4	(1) 1				(2) 2
Soo Ware	(5) 5	(1) 1	(9) 8			
Neil Watts	(5) 5	(1) 1	(9) 7			
Alex Wright	(5) 4	(1) 1	(6) 5			(1) 1
Nabila Zulfiqar	(5) 5	(1) 1				(3) 3

(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, from time to time, attend other meetings on ARB business – such as appraisals, induction sessions and visits for new members
- Committee memberships changed during the years as a result of new Board members joining



Architects
Registration
Board

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