



**NOTE OF THE INTELLECTUAL PROPERTY OFFICE STEERING BOARD
MEETING HELD ON 25 NOVEMBER 2015 , AT ABBEY ORCHARD STREET,
LONDON AND CONCEPT HOUSE, NEWPORT**

Attendees:

Non Executive Directors

Bob Gilbert (Chair)
Iain Maclean
Tim Suter
Nora Nanayakkara
Andrew Mackintosh
Mandy Haberman

IPO

John Alty
Sean Dennehey
Louise Smyth
Rosa Wilkinson

Chief Executive
Deputy Chief Executive
Chief Operating Officer
Director, Innovation and
Strategic Communications
Director, International Policy
Director, Finance
Chief Technology Officer
Head of Strategy & Planning
Head of Secretariat
Head of Governance & Risk
Shadow

BIS

Paul Hadley

Neil Feinson
Neil Hartley
Mike Fishwick
Simon Haikney
Kathryn Ratcliffe
Karen Powell
Michele Hambridge

1. Chair's Introduction, Minutes and Update on Actions from the Previous Meeting

- 1.1 Mr Gilbert welcomed everyone to the meeting, particularly Ms Haberman and Mr Mackintosh as it was their first Steering Board meeting following their appointment as Non Executive Directors.
- 1.2 Apologies were noted from Mr Austin.
- 1.3 The minutes of the meeting held on 22 July were approved. Actions were reviewed, (all of which had been completed).
- 1.4 There were no declarations of interest.

Governance and Performance

2. Finance Report

- 2.1 Neil Hartley introduced this item and highlighted a number of points regarding the IPO's financial position as at the end of October. As detailed in the paper income and expenditure were forecast to be below budget.
- 2.2 There was a lot of work ongoing to ensure accurate budget forecasting, particularly in relation to TRIPOD and project forecasting. This was an area that Audit Committee could look at and bring back to Steering Board if there was a need.
- 2.3 There was concern around the cost of postage and printing which was an area Finance was looking at in terms of efficiencies. It was noted that there were still some things that could only be sent out in hard copy (and currently we did not have secure access from customer to systems).
- 2.4 There was concern around the level of under spend on overtime and it was noted that as part of reforecasting - overtime should be profiled differently, (although there was an expectation that it would be spent).
- 2.5 It was noted that there were strict rules on what the IPO could spend money on – which would be covered as part of the induction for newly appointed Non Executive Directors.

3. Chief Executive's Report

3.1 Mr Alty highlighted a number of areas in his report. The Spending Review was being announced later in the day and while there was no direct impact on the IPO there was a range of things that could impact indirectly. There was a continual drive for more efficiency and more central control all of which would become clearer over the coming months. A cross office group had been set up headed by Ms Smyth to plan ahead so far as possible.

3.2 The work on the Corporate Strategy continued and a submission had gone to Baroness Neville-Rolfe with a final draft. In terms of publication it had been agreed to publish following the Spending Review.

3.3 Work in relation to our HR & Payroll system had progressed well. It had been an opportunity to test the market and a contract had been awarded.

3.4 The results of the People Survey 2015 had shown significant improvement which was excellent news. The IPO's engagement score had hit a high of 65%, which was higher than the Civil Service High Performers benchmark.

3.5 There were a number of comments made by Non Executive Directors – who noted the huge improvement in the people survey. When Mr Gilbert became Chair of the IPO Steering Board his aim had been for the IPO to be the best partner organisation in BIS – and latest results showed the IPO being only 1% behind. This would be an area of focus for Mr Gilbert at the IPO Excellence Awards on 14 December. It was a credit to the senior management team and the organisation as a whole.

3.6 It was good to hear that work was ongoing regarding internal communications in relation to the Spending Review. This would address any anxiety amongst staff. Miss Wilkinson was congratulated on her CIPA President's Award for the personal contribution she had made to boosting IP Awareness.

3.7 The introduction of the 9 box grid was welcomed – as a means of identifying potential, although it had taken some time to introduce. Mr Maclean offered his assistance in taking this forward.

3.8 There was a discussion around the privatisation of some agencies and it was noted that this was something the government kept under review. The IPO did not feature in this as it had a very clear mission with both operational and policy delivery. The point was made that culturally agencies would be thought about differently. The Cabinet Office (CO) was in the process of looking across departments, and Arms Length Bodies. This approach by CO would need to fit with the approach being taken by BIS 2020 (BIS' change programme for the whole of its "family").

3.9 With regard to the Copyright Hub there was a question regarding financing and it was clarified that this was joint venture by Innovate UK, Catapult and the IPO, (and was something that should be supported). The work ongoing would provide the understanding around what would be a viable business model in the longer term.

3.10 Mr Gilbert thanked Mr Alty for the update.

4. BIS Update

4.1 Mr Hadley updated the Steering Board on BIS issues – highlighting that the Spending Review would be announced by the Chancellor later that day. The SR would provide headline figures and the detail would need to be worked through. The IPO was already considering

business support delivery in the longer term; although there was no concern that it would reduce our ability to meet current ministerial targets.

4.2 Work was ongoing on BIS 2020 looking at the BIS family of 45 organisations.

4.3 Mr Hadley congratulated the IPO on the excellent engagement score, (BIS had remained at 52%).

5. Corporate Performance Report

5.1 Mr Haikney introduced the Corporate Performance Report. The NEDs made a number of points in relation to the report. There was a suggestion that perhaps the IPO should lower its expectation in relation to the patent search target. Mr Dennehey clarified the importance of having such a challenging target. There had been a significant increase in demand over a number of years which had led to a large recruitment drive with the recruitment of nearly 100 new patent examiners over the previous two years to deal with the increase. Unless the IPO had taken this action the situation would have run out of control at some point. The patent search target was being met by 15 of the 18 patent examining groups and the three remaining groups dealing with biochemistry were doing well reaching 76/77 days, (the aim was to reach 90 days across the board by the end of the financial year). It was also noted that the training of patent examiners impacted in the short term on output as experienced staff were involved in the training. The third tranche of the patent examiner recruitment process was underway and the IPO Executive Board would be discussing the recruitment strategy early in the New Year. With regard to recruitment and retention the overall benefits package was having a very positive impact on staff retention.

5.2 In relation to the Unitary Patent there was no expectation that it would reduce our work and in the medium term there was an expectation that it would increase.

5.3 We are still considering whether we can proceed with the Designs Opinions Service. HM Treasury want to see full cost recovery so we are investigating whether this would be possible at a reasonable cost to users.

5.4 It was acknowledged that the commentary on the average working days lost did not give an insight into the situation, which was needed. This was something that would form part of the broader review of reporting being undertaken by Mr Haikney. This linked to the discussion at the Steering Board Awayday on how much information the SB needed.

6. Risk Management

6.1 Mrs Powell introduced this item and highlighted the changes to the Board Risk Register (BRR) since the last iteration. The IPO Executive Board had undertaken a thorough review of the BRR and a new risk on BIS 2020 had been added.

6.2 There was a suggestion that cyber security should perhaps be on the register. This was currently being managed within the Information Security community in the IPO – although given this issue was rising up the agenda there was perhaps an argument to include it on the Board Risk Register. The Information Security Team had worked closely with the Project team delivering the designs work and had presented an assessment of risk for the different options. This level of service ensured that decisions were informed and based on sensible advice.

6.3 It was noted that actions in relation to the risk on the Digital Single Market needed amendment to reflect the work the team were doing with stakeholders.

Action

- **Ms Powell to update the actions relating to the Digital Single Market risk.**

Strategic

7. IPO Corporate Strategy

7.1 Mr Haikney updated the Steering Board on next steps regarding the publication of the Corporate Strategy. The aim was to publish it as quickly as possible with a soft launch on line. In terms of timing it would be important to have some space between the publication of the Corporate Strategy and the Corporate Plan.

7.2 The Non Executive Directors emphasised the importance of having clear milestones e.g. publication date. The Minister was very focussed on the Strategy and the aim was that the document would be published by the next Steering Board meeting.

8. Steering Board Awayday 2015 – Actions & Timeline

8.1 Mr Alty introduced this item noting that the general consensus was that the Awayday had been a good event. The follow up was important and a good level of progress had already been made in a number of areas, with some already complete, (as detailed in the paper). The IPO Executive Board had also discussed progress to date and actions had been divided into two categories: strategic – relating to the corporate plan medium term activities and business as usual – relating to current activities.

8.2 The Steering Board discussed the paper fully and the following points formed the key points made:

- The review the UK's 5th position in the Taylor Wessing Survey - it was noted that a number of things had been successfully delivered in this area since the survey which might have impacted on the result. The access to the Designs system had improved – a new paper form had been introduced which improved the ability of people to file applications and electronic system had been introduced which had substantially reduced the number of simple mistakes. On the enforcement side criminal sanctions had been introduced. The question was would this have made a difference when the survey was done? To what extent would it have made a difference? There was no doubt that the red tape had been reduced following simplification of the designs rules. The timing of the next survey was not clear and further work was being done.
- Mr Austin and Ms Smyth had discussed the “How we work” document and number of changes had been made. This was an iterative document and would be included in papers for every meeting. Work would continue on developing Non Executive Director's profiles amongst staff. With regard to the location of meetings it was suggested that there may be a need for more London centric meetings although the general feeling was that meetings in Newport were good for visibility. The time after meetings could perhaps be used differently e.g. NEDs could do “learning walks”.
- The Calendar of Events linked with the stakeholder information. Going forward it would be important to provide as much advance notice to NEDs as possible. Clearly effective management of NEDs diaries was important to facilitate attendance at the right events e.g. stakeholder rich events. The IPO had already undertaken stakeholder mapping. It was agreed that Miss Wilkinson working with the Secretariat would do some further work on this and make some concrete suggestions.

- #Adaptive – as detailed in the actions table a lot of work would be taken forward as part of this programme of work. It would provide the opportunity to develop thinking in specific areas.

8.3 The paper was well received NEDs - a huge amount of information had come out of the Awayday and this paper including the Change Timeline had captured all outputs. The Change Timeline was a good document and provided the aspiration around the work. Testing against this going forward was important.

8.4 It was agreed that the SB would continue to monitor this work going forward.

Action

- Secretariat to schedule SB Awayday Update for agendas going forward and update document for each meeting (including the action point table, calendar of events and any follow up papers)
- Circulate the Taylor Wessing Survey to NEDs.

9. International Forward Look

9.1 Mr Feinson introduced this item which was the second in a series of twice yearly updates around the international IP scene. Progress had been made on the financial implications of the Unitary Patent although final decisions had not been reached. The UK would be taking over the Presidency of the European Council in July 2016. A project was being set up in preparation, which would form part of the budget for this planning period.

10. Enforcement Strategy

10.1 Ms Lynch updated the Steering Board on the progress of the Enforcement Strategy. A draft had been circulated to the IPO Executive Board in advance of a wider discussion. The strategy would run up to 2020 and consideration was being given to its publication. Work had progressed well and there had been engagement across government.

Topical

11. 2015 Civil Service People Survey Results

11.1 Ms Smyth reported on the IPO's excellent People Survey results. The response rate of 84% and overall engagement score of 65% was excellent. Consideration was being given to corporate actions and work within directorates. This was a real success with the IPO 2% above the Civil Service High Performance benchmark.

11.2 Mr Gilbert would be referencing the results in his presentation at the Excellence Awards on 14 December.

12. IT Strategy

12.1 Mr Fishwick introduced this item and focussed on the work that had been done to address the issues relating to TM10 – which provided assurance to the Steering Board.

13. Information Papers

13.1 Mr Gilbert noted thanks for the information papers and thanked everyone for their contributions.

Official

Date of Next Meeting: 27 January 2016