



**NOTE OF INTELLECTUAL PROPERTY OFFICE STEERING BOARD MEETING
HELD ON WEDNESDAY 22 JULY 2015 AT AND CONCEPT HOUSE, NEWPORT AND
ABBEY ORCHARD STREET, LONDON**

Attendees:

Non Executive Directors

Bob Gilbert (Chair)
Iain Maclean
Ralph Ecclestone
Tim Suter
Nora Nanayakkara

IPO

John Alty
Sean Dennehey
Louise Smyth
Neil Feinson
Rosa Wilkinson

Chief Executive
Deputy Chief Executive
Chief Operating Officer
Director, International Policy
Director, Innovation and Strategic
Communications
Director, Finance
Director, Copyright & Enforcement
Head of EU and OHIM Policy
Corporate Planning & Performance Manager
Head of Governance & Risk
Head of Secretariat
Secretariat

BIS

Paul Hadley

Neil Hartley
Ros Lynch
Simon Haikney
Jonathan Rogers
Karen Powell
Sally Jones
Sue Henson

Shadow

Laura Goacher

Observers

David McWhirter
Vicki Hancock

1. Chair's Introduction, Minutes and Update on Actions from Previous Meeting (20 May 2015)

1.1 Mr Gilbert welcomed everyone to the meeting with a special welcome to Laura Goacher, who was shadowing Mr Dennehey, and to David McWhirter and Vicki Hancock who were Observers. Special thanks were given to Mr Ecclestone as it was his last meeting at the IPO.

1.2 There were no declarations of interest from the Non Executive Directors (NEDs).

1.3 Apologies were received from Mr Austin.

1.4 The minutes of the meeting held on 20 May 2015 were discussed and actions approved. It was agreed that the format of minutes would be reviewed.

Governance and Performance

2. Chief Executive's Report

2.1 Mr Alty provided an update since the last meeting:

- His meeting with the Secretary of State had focussed on digital single market (DSM) and linking with small business.
- Shared Services: Howard Orme had given the go ahead for IPO to move shared services for HR and payroll away from UKSBS.

- Government Internal Audit Agency (GIAA): Chair of Audit and Risk Committee and CEO complained about opinion marking. Although sympathetic, GIAS were unable to overturn the marking.
- Minister had a positive visit to Dyson.
- ACE Meeting: Three priorities for Civil Service reform – digital, commercial and diversity.
- Pay Pilot: Treasury were looking at how much IPO were paying compared to local rates. IPO had made a few adjustments in some areas and gone back to Treasury making the point that the comparators in some areas were national rather than local.

2.2 The Non Executive Directors (NEDs) discussed the IPO as an adaptive organisation, changes to the flexi bandwidth experiment and the impact on productivity.

2.3 The NEDs congratulated the apprentices on winning the grand final of the UK Money for Life Champions 2015.

3. BIS Verbal Update

3.1 Mr Hadley updated Steering Board on BIS matters:

- Secretary of State launched Productivity Plan.
- Spending Review: BIS largest unprotected department in Whitehall – being asked to model savings at 25% and 40% on resource budgets. Capital budgets also looked extremely challenging.
- Have not seen Treasury's formal letter to BIS, however suspect 4 year financial settlement (2019-2020) and a further Spending Review 12 months before the next general election.

4. Finance Report

4.1 Mr Hartley reported that income was within 1% of plan and expenditure was 4.6% down on budget due to a number of factors including pay and IT expenditure.

4.2 The NEDs said they were pleased to see the summary statement of the balance sheet highlighting financial commitments. They discussed the number of vacancies in IT and the Executive Board confirmed that there had been some allocation issues between IT and TRIPOD and currently there was not a recruitment problem in IT.

5. Corporate Performance Report

5.1 Mr Rogers introduced the item explaining that there was an error in the reported status for the new design opinions which should have been green rather than red.

5.2 The NEDs liked the visual in the covering note to the report. They discussed the Design Opinions Service and why the cost of the service had been set below cost. They were also interested in why overtime levels had dropped. The Executive Board explained that it was largely for seasonal reasons. They queried the red status of the return to work interviews priority and the Executive Board explained this was a management issue where we needed to take action to improve compliance. The Operating Committee was taking ownership of the issue and was monitoring regularly.

5.3 The NEDs referred to the employee turnover figures and agreed that it was not clear how to read the information from the graph. Mr Rogers agreed to look at for the next report.

Action:

- **Mr Rogers to look at the employee turnover graph in the corporate performance report.**

6. Risk Management

6.1 Mrs Powell provided an update on the main changes, including new risks added, to the Board Risk Register since the last Steering Board meeting in May.

6.2 The NEDs discussed the register and queried why a worry on the Watch/Worries list which was considered a high probability should have been on the risk register. The Executive Board said the issue was not within the remit of the IPO but they were monitoring the government position.

Strategic

7. Five Year Strategy – Update and Next Steps

7.1 Mr Haikney updated Steering Board on activities since the last update. He said that stakeholders had provided feedback including the Law Society and ITMA who had responded the previous week. He said the Minister had chaired a roundtable discussion with stakeholders.

7.2 Mr Haikney said next steps were making sure the Strategy aligned with government and stakeholder thinking. There was still, however, a timing issue as the Enforcement Strategy would need to be completed prior to finalisation of the IPO strategy.

7.3 The NEDs discussed the Strategy update and the launch and timing. They thought the draft measures of success were very clear and the Executive Board would like to see the final set when complete.

7.4 The NEDs referred to the 'Delivering high quality rights granting services' measure and suggested it would be helpful to use output from the customer interaction within TRIPOD to baseline and suggested that the measure should cover digital inclusion.

Action:

- **Mr Haikney to bring final set of measures of success to the Executive Board when complete.**

8. Steering Board Awayday Preparation

8.1 Mr Alty said his paper had taken into account all the views gathered from the Executive Board and NEDs.

8.2 The Steering Board discussed topics which could form the basis for the Awayday. They agreed:

- New Government, new Context
- Efficiency
- Education (could also have an external speaker from Education)
- Comms/Stakeholders: make sure people have the skills to communicate (could be integrated into the themes rather than separate out). How do we better

communicate to avoid criticism coming back and be more aligned with what the customer wants?

- Support for the 'How' and thought should be given to something innovative, ie if IPO were a totally digital customer organisation, eg Google/Facebook. Also need a little of the 'What'. To help with the 'How' could have a speaker from an innovative company (ie Valve, Rackspace)
- Board Effectiveness Review: do not leave it to the end of the Awayday.

Action:

- **Mr Maclean and Mrs Jones to incorporate recommendations into an Agenda for the Awayday (including suggestions for preparation and workstreams) by end of July.**

9. Enforcement Strategy Verbal Update

9.1 Mrs Lynch reported that they were not as far along with the Enforcement Strategy as they had hoped and would be using a copywriter to pull it together and a draft would be available for the Minister in September.

9.2 The NEDs agreed that the Enforcement Summit was an excellent event and that it should be a regular event.

10. International Financial Forward Look

10.1 Mr Hartley and Mr Webber introduced the paper which outlined the financial implications of our international commitments. The main impact on the IPO as opposed to UK business was the Unified Patent Court and the Unitary Patent.

10.2 The NEDs discussed the item and referred to the Fees Review and exchange rates.

Topical

11. IPO IT Strategy and Roadmap Update

11.1 Miss Smyth said there had been a great deal of momentum on TRIPOD which had made a positive impact on IT with greater enthusiasm and engagement. She reported that Mr Mike Fishwick, new CTO, would be joining the Office in September bringing further stability. They had recruited good quality IT staff with new skills which had caused staff to 'up their game' in a competitive environment. Miss Smyth said they were working towards refreshing the IT Strategy which would not be published until Mr Fishwick had had a chance to review.

12. IP, Innovation, Productivity and Growth

12.1 Miss Hall said that the slide pack was designed to update a new Minister and has since been used by Treasury and BIS. She said the Government published its Productivity Plan in July and the Minister was concerned that IP did not feature in it as it was key to encouraging productivity and growth. Miss Hall said there was still more work to do as the economics of IP was still fairly new. The Research Programme had been cleared by the Executive Board and would be going to the Minister.

12.2 The NEDS thought the presentation was very interesting and agreed there were real tangible benefits that the IPO could produce and should be developed. They discussed intangible assets for funding innovative growth and the economic research and evaluation

Official

programme. They agreed that Miss Wilkinson was doing a lot of work on the intangible assets and would bring an update to the next Steering Board meeting.

Action:

- **Miss Wilkinson to provide an update on tangible benefits to the next Steering Board meeting.**

Date of Next Meeting: 25 November 2015