

NOTE OF THE INTELLECTUAL PROPERTY OFFICE STEERING BOARD MEETING HELD ON 29 NOVEMBER 2016

Attendees:

Non-Executive Directors IPO

Bob Gilbert (Chair)	Sean Dennehey	Acting Chief Executive Officer
Gary Austin	Louise Smyth	Chief Operating Officer
Iain Maclean	Neil Hartley	Director, Finance
Tim Suter	Mike Fishwick	Chief Technology Officer
Nora Nanayakkara	Julyan Elbro	Acting Director, Patents
Andrew Mackintosh	Guy Robinson	Deputy Director, Innovation
Mandy Haberman	Adam Williams	Acting Director, International Policy
	Simon Haikney	Head of Strategy and Planning
	Kathryn Ratcliffe	Head of Secretariat
	Samantha McDonald	Planning, Performance and Risk
BEIS		
Paul Hadley		

1. Chairs Introduction, minutes and update on actions

1.1 Mr Gilbert welcomed everyone to the meeting. Mr Gilbert attended the BEIS Chair's Forum last week and gave a speech mentioning the pay pilot and earned autonomy. There was a lot of interest from other Government Departments, wanting more information on what was achieved and how. It was agreed that the chairs will meet quarterly. Mr Gilbert agreed to circulate the speech to Steering Board (SB) members.

1.2 Apologies were noted from Mr Rowan.

1.3 The minutes of the last meeting were approved however Mr Gilbert wanted to make note that Mr Alty has permanently moved to the Department of International Trade and the recruitment for a new Chief Executive is well underway. Mr Gilbert also noted that although his term as Chair was coming to an end in February, the Minister has asked that he continues in this role until a new CEO is appointed which will extend past February. Mr Mackintosh identified an action missing from the minutes of the last meeting – a list of opportunities for use in wider conversations about the referendum.

1.4 The actions were reviewed and it was noted that the Women Onboard scheme has so far been unsuccessful due to the pressure of other commitments on the chosen candidate. Mr Dennehey and Mr Gilbert will be going back to Cabinet Office to seek another candidate. Continuous Improvement will be scheduled for discussion at a future meeting.

Governance and Performance

2. Chief Executives Report

2.1 Mr Dennehey highlighted a number of areas in the Chief Executive's report, firstly noting the work that had been done to make sure intellectual property was covered in the Industrial Strategy Green Paper.

2.2 BEIS have paused the BIS2020 programme, however the IPO and Companies House are continuing to work collaboratively and this is working well. It was agreed that streamlining governance for this joint working is the sensible option.

2.3 Mr Dennehey updated the SB on the UK's intention to ratify the Unitary Patent Court (UPC) announced by the Minister at the Competitiveness Council in Brussels on 28 November. Mr Dennehey received an email from the Minister thanking the UPC team on their efforts and wanted it known that she found it a great pleasure to announce such a positive result following all the hard work in this area. Germany also need to ratify and it was speculated they may do so at the end of the year. A tribunal has been in touch about leasing Aldgate Tower for five months which is being considered, provided it does not affect the timing of the UPC.

2.4 Work is currently underway on the Operating Model in Policy, Outreach and Education. Due to the complexities of the policy area, this work is taking longer than originally anticipated, but Mr Dennehey along with the IPO Board (IPOB) continue to progress the work.

2.5 A good position was reached on the pay pilot, the annual Whitley meeting with Trade Unions took place on 28 November and potential follow on activity that can be achieved with pay with the Treasury is being considered.

2.6 Ms Smyth mentioned the dispute with the company over the refurbishment of the conference rooms. There has been continued litigation over the past few months. There is engagement with the managing contracting company to identify who is liable.

2.7 The Chief Executive recruitment was discussed and an independent panel member has been nominated to complete an interview panel of four. A staff engagement exercise has been arranged with a panel of six staff and a psychologist to observe the interactions. Interviews are scheduled for the 26 January so a new CEO should be appointed come the end of January.

2.8 Mr Maclean gave his congratulations on the mid way customer satisfaction score. After a discussion it was suggested that the use of an

external interviewer might be useful to provide stakeholders the opportunity to speak to someone independent.

2.9 Trade Mark examination has seen both a record input and output and there was some discussion on the methods used to help increase productivity. Empowerment of staff to set their own goals was one method mentioned. Mr Maclean raised whether this was something that could be transferred to other areas of the office.

2.10 The drop in patent demand was raised and Ms Haberman questioned whether this was down to a particular group of applicants. Mr Dennehey explained that an examination of whether this is the case is underway however there are limitations on the information received up front. At the moment it is not thought that Brexit is a factor however work is being done to explore.

3. BEIS Update

3.1 Mr Hadley updated the SB on the BEIS restructure, he explained that the BIS2020 process has stopped due to the changes and amalgamations of Whitehall Departments. The Department for International Trade will be moving into the offices previously occupied by what was the Department of Energy and Climate Change (DECC).

3.2 The Secretary of State (SOS) has published his vision for the Department focussing on four themes; delivering an ambitious industrial strategy; maximising investments; promoting competitive markets and appropriate business practice; and providing an energy function that is reliable and clean. The Industrial Strategy is the main priority and a publication in the form of a discussion document is hopefully expected around Christmas. The SOS has participated in drafting the document and Ms Hall has been making sure that the IPO is involved. Mr Mackintosh raised concern that intellectual property is not being given the importance needed in the Industrial Strategy. It was suggested that the Permanent Secretary of BEIS, Mr Chisholm should be invited to visit Newport to reduce any possible visibility issues.

3.3 The Autumn statement has been released and there has been a lot of detailed negotiations between BEIS and the Treasury regarding the extra spending available for research and innovation. The Treasury are going to re-energise efficiency, looking at a 3-5% expenditure reduction. £400 million has been put aside for an increase in civil servant recruitment as a result of Brexit.

4. Finance Report

4.1 Mr Hartley provided an update on the IPO's financial position and there has been a healthy improvement on the surplus position. Patents income is slightly down however this is being offset by an increase in Trade Marks. The Ministerial Targets are currently being reviewed by Internal Audit. Financial planning is well underway for next year after a detailed discussion with IPOB. There is a focus on the timing of work, an examination of priorities and a

review of where the next efficiencies are coming from. Mr Mackintosh questioned the accuracy of the forecasting however Mr Hartley reassured that income trends have been mapped and spend for all areas have been taken into consideration.

5. Corporate Performance Report

5.1 Ms Ratcliffe introduced the Corporate Performance Report as at the end of October and the SB discussed this. The Identity Assurance (IDA) Corporate Priority changed from red to green. This has been red due to connectivity issues with view my cases but a different approach has been identified which has been approved by Government Digital Service (GDS). The 'Get off the Mainframe' (GOTHEM) project is running late and Ms Nanayakkara questioned whether resourcing was an issue. Ms Smyth explained there has been a problem with the audit tool, which has since been resolved due to extra dedicated resource. Ms Smyth confirmed the mainframe contract has been extended on a rolling monthly basis as a contingency.

Strategic

6. International Forward Look

6.1 Mr Williams provided an update on the ongoing international work. Brexit governance has now been set up internally and the first IPO project board meeting has taken place.

6.2 He explained the prosperity fund has been going for several years however this is the first time it has been coordinated across Whitehall. The Board discussed what the prosperity fund could do for the IPO and the potential related risks. Mr Williams said the Foreign Office bids need to be submitted in January and it is unclear when the outcome will be known. He explained there are a number of monitoring arrangements and reporting mechanisms back to the Foreign Office as part of the discovery process.

6.3 Mr Williams concluded an assessment is being made as to whether an increase in attaches is necessary. He said the prosperity fund could potentially help with this if evidence points to a need.

7. Steering Board Awayday Actions and Corporate Planning update

7.1 Mr Haikney introduced the action table from the Steering Board Awayday and it was agreed that it captured the main points discussed. The NEDs however felt that a section was needed highlighting the demands expected in the future and the timescales related. It was agreed that the SB would look at the outcomes from the awayday and comment on the top three priorities. Mr Haikney will take another version of this action table to IPOB on 20 December.

7.2 The corporate planning process has begun and was discussed at a Strategic IPOB on 24 November. The first session looked at budget and the

second challenged what had been put forward. The main theme from the meeting was 'why?' questioning if the activities can be justified, why they have been put forward and why they are important. It challenged whether or not there were too many Ministerial Targets and looked at the different customers and change. The shape of the Corporate Plan should be clearer after the meeting on 20 December and Mr Haikney agreed to share the direction of the plan after this date. Comments would be needed before the next SB meeting in January, and before it is sent to the Minister. It was agreed that thought is needed on the timing for comments on the draft and it was recognised that potentially a new CEO will be joining at some point during this process.

Topical

8. People Survey Update

8.1 The IPO is fourth on the Civil Service league table of results for responses received, however there was disappointment that the Civil Service High Performers benchmark was missed by 1%. It was recognised that there is a different working demographic to last year which is more uncomfortable for staff. There was a discussion on what lessons could be learnt from Government Departments at the top of the league table and Ms Smyth agreed to look into this. The free text comments will be available from 9 December and these will be examined to try and discover the reasons behind the lower scored areas.

9. TRIPOD/Operating Model Update

9.1 Ms Smyth is currently working on proposals to explore how governance of the Operating Model (OM) and TRIPOD can be managed to make sure the benefits gained are captured. An examination of the back office will start in the New Year as part of the OM and will finish in March. The NEDs requested a refresher session in the next SB meeting in January on the status of projects.

9.2 Mr Austin questioned whether or not the projects were achieving what they should be to the timescales set. Ms Smyth assured that the OM is expected to deliver on what was expected to time which is the end of March. TRIPOD is delivering the Corporate Plan commitments and although GOTHAM will be two months late it will still deliver in this financial year. IDA will be the key to unlocking what customers require and this will be up and running by the end of March.

10. Information Papers

10.1 It was agreed that SB meetings should have all NEDs in attendance, however if dates were an issue because of attendance the meeting could still go ahead if one NED was absent. There were no comments on the previous Audit and Risk Committee (ARC) minutes.

10.2 Mr Dennehey expressed his apologies for the paper on the Steering Board Effectiveness Review not being available.

10.3 Mr Gilbert closed the meeting by thanking everyone for their contributions and noted the quality of the papers submitted.