



Steering Board Meeting Note

Date: Wednesday, 31 January 2018

Time: 10.00-15.00

Room: CH B3 / AOS 1.05

Attendees:

Non-Executive Directors

Bob Gilbert (Chair), Gary Austin, Andrew Mackintosh, Mandy Haberman, Iain Maclean, Tim Suter, Nora Nanayakkara, Sheila Chapman

BEIS

Paul Hadley

IPO

Tim Moss (CEO), Sean Dennehey (Deputy CEO), Simon Haikney, Neil Hartley, Mike Fishwick, Julyan Elbro, Steve Rowan, Pippa Hall, Ros Lynch, Kathryn Ratcliffe (Secretariat), Amy Harris (Secretariat)

Apologies:

Meeting Date	Action	Action owner	Timing
January 2018	Executive Board Report – Executive Summary Mr Moss to take forward the comments for improving the EBR	Mr Moss	
	Corporate Performance Report Mr Haikney to review the vacancies filled office wide chart in the Corporate Performance Report provide an explanation of the figures included	Mr Haikney	
	IPO Strategy Refresh & SB Away day Update and Corporate Plan The Steering Board to get back to Mr Haikney with any examples IPO should focus on to help take the Strategy forward	Steering Board	

1. Chair's Introduction

1.1 Mr Gilbert welcomed everyone to the meeting, including Amy Harris (new member of Secretariat) and also giving his congratulations to Mr Dennehey for being awarded a CBE for services to Intellectual Property in the New Year's honours list.

2. Apologies

2.1 There were no apologies to note.

3. Approval of minutes from the previous meeting

3.1 Minutes from the last meeting were agreed.

4. Update on Actions

4.1 The action log was discussed and Mr Gilbert noted all actions could be closed, apart from the Diversity action as Ms Babb and Mr Houlihan are returning to Steering Board to present an update in March.

5. Declarations of Interest

5.1 There were no declarations of interest.

Governance and Performance

6. Executive Board Report – Executive Summary

6.1 Mr Moss discussed that IPO are refining the process of compiling the Executive Board Report (EBR) which is challenging but essential to make best use of this item.

6.2 Mr Moss stated that the main current challenge is EU exit and a move to the next stage of negotiations as a country. He said the European Council is meeting on 22nd March and the teams are working closely with BEIS and DExEU to ensure we are prepared for this. Mr Moss explained there has been a cabinet reshuffle and our new Minister is Sam Gyimah MP, and he has spent time with Minister Gyimah to broaden his understanding of IP and the EU exit issues.

6.3 Mr Hadley questioned what IPO are doing to make the best use of Aldgate Tower. The response is this having significant use by other parts of Government, and National Audit Office (NAO) are in discussions with Neil Hartley and Michelle Wall on the commercial details and accountancy aspects of the lease.

6.4 Mr Moss stated there had been useful meetings with BEIS and DExEU. He said internally there has been excellent progress from the business and IT teams on the change agenda, as seen in the earlier TM10 demonstration.

6.5 Mr Moss went on to discuss other activity across the office, including the recent uptake of 12 new Trade Mark examiners and turnaround times for Trade Marks of 15 days. Mr Moss explained that it has been particularly busy time across Trade Marks and Designs.

6.6 Mr Moss discussed the work that is currently going on to address the scores in some areas of the People Survey. He explained the two areas that are being focused on are: 1. Leadership and Managing Change and 2. Bullying and Harassment. Mr Moss added IPO are keen to focus on two main strands to ensure a real difference is made to the results for next year.

6.7 Mr Moss said another recent successes is IPO reaching the top 100 in the Stonewall Workplace Equality Index.

6.8 Mr Moss concluded by saying that a lot of work on the IPO brand is going on internally to review the numerous and confusing brands used across the IPO. He said there is also progress being made to communicate all of the work IPO are doing to improve e.g. new internal change processes in IT, joint work occurring with NPL and BSI, which links with the Industrial Strategy and Industrial Strategy Challenge Fund. He said they are also maintaining relations at an international level, with a lot of international visits ongoing at the moment. He said work is ongoing to review the IPO's International Strategy which will align with this.

6.9 The Board discussed the changes to the EBR, with feedback that the Board would like to see a more concise report with a cover note outlining the main areas of concern for the CEO. They asked for the commentary to be outcome focused and include the impact on the IPO and UK. They also asked that where stats are included these should indicate whether this is a satisfactory outcome.

6.10 Mr Mackintosh asked when we may expect to hear the benefits of all the new patent examiner recruitment. Mr Dennehey ensured that productivity has risen with the increased capability but the full impact is yet to be seen.

6.11 Mr Maclean commented that he was concerned over the People Survey's 9% bullying and harassment score. Mr Moss commented this is something IPO were actively looking into and taking very seriously by undertaking neutral assessments and sitting down with line managers.

Action: Mr Moss to take forward the comments for improving the EBR.

7. Finance Report

7.1 Mr Hartley gave a brief finance update on a routine review of our financial position and explained a more detailed report is given to Operating Committee and IPOB. He said the paper notes an additional £0.2m has been added to the forecast which is spend on fire doors and office refurbishment costs. Mr Hartley added the surplus currently stands at £3.1m.

7.2 Mr Gilbert questioned how much time we needed to spend on Finance at Steering Board, highlighting he did not want to duplicate information and other meetings. He suggested that Mr Moss and Mr Hartley should bring high level financial issues to Steering Board.

7.3 Mr Mackintosh commented that timescales and clear plans are needed for the General Data Protection Regulations (GDPR). Mr Dennehey stated that there have been difficulties in determining roles and what needs to be done. He added there is a project board which are managing this and IPO is focused on what we need to do by May for this.

8. Corporate Performance Report

8.1 Mr Haikney discussed that six out of ten Ministerial Targets are reporting green, three are reporting amber and one red. He confirmed that Internal Audit have conducted a review and stated we have done all we can to meet our targets. Mr Haikney added the six green targets have been green for a while which indicates a high confidence in their delivery.

8.2 Mr Haikney discussed the red and amber targets and what work we are doing to improve the status of these targets and what progress has been made. He confirmed we are confident that the

amber targets will get to green and be able to deliver these successfully once issues are resolved. Mr Haikney stated that Ministerial Targets are a top priority unless the board re-prioritises these.

8.3 Mr Mackintosh questioned the 'Vacancies filled Office wide' chart in the IPO Performance Scorecard 2017-18 report (page 35) as November 2017 looked unusually high. Mr Haikney agreed to provide an explanation for this.

Action: Mr Haikney to review the vacancies filled office wide chart in the Corporate Performance Report provide an explanation of the figures included.

9. BEIS Update

9.1 Mr Hadley stated he has not personally met the new minister but can tell he is interested in maximising publicity and feels that his approach will be managerial in style and will be on the lookout for good public engagement.

9.2 Mr Hadley expressed that they are currently in the process of recruiting a new chair for Steering Board and they are interviewing for the position within the next few days and will keep IPO informed of any updates.

Strategic

10. EU Exit and Trade

10.1 Mr Walkden gave an update on EU Exit & Trade for the period 1 December 2017 – 31 January 2018 and a forward look to February and March.

11. IPO Strategy Refresh & SB Away day Update and Corporate Plan

11.1 Mr Haikney discussed the Strategy Conference that took place at the beginning of January and stated that 90% of attendees really understood the messages clearly. He said this will now be lead into director led workshops which are all booked into the calendar throughout February and there have been some volunteers from the Strategy Conference to aid the facilitation of these events. Mr Haikney added the outcome of these workshops will enable agreement of all the strands and identify all we can to make the strategy happen.

11.2 Mr Haikney asked for Steering Board input – are there any thoughts on what IPO should be doing or measuring and is there anything we can work on e.g. communication and prioritisation. Following this, Mr Gilbert asked if the board had any comments.

11.3 Mr Maclean asked what is the timeline after all of the February workshops are finished and will it all come together at IPOB on 23rd February. Mr Moss replied by stating that we now know the big pieces of activity we need to do ready for next year (TM10, EU & Exit). Mr Maclean stated it is essential to have common language across the organisation and that perhaps it is a good idea to put a matrix or glossary of terms together of what IPO are trying to achieve and how. Mr Moss asked the Steering Board for any examples on work they have done to embed strategies in other organisations.

11.4 Ms Nanayakkara stated she was interested in the mobility of the people targeted in diversity, and suggested difficult conversations need to be 'normalised' across the organisation, for example return to work meetings to improve figures.

11.5 Mr Mackintosh discussed the three pillars of the IP environment and that digital is pivotal, but asked how fast we can deal with different degrees of investment. Mr Mackintosh stated that

monetisation of IP will make a huge difference to interaction with businesses. Mr Fishwick said we need to be aware of the constraints however we have an IT enabled change plan in place but there are also 90 other projects in place, commenting there may be a need to prioritise these. He added if we tried to do all we need to in the proposed time frame we would need to recruit around 48 business analysts. Ms Hall stated that there is a new appetite to develop a market around financing IP and it is currently at the heart of HM Treasury's work.

11.6 Mr Hartley went on to discuss Finance Budgets within this item (2017-18 to 2020-21 narrative). He said this paper sets out IPO's budget assumptions for the next three years together with a proposal on how to use our surplus.

11.7 Mr Hartley said that with the introduction of patent fees, rise in renewals and growth in Trade Marks, IPO income is expected to rise significantly. He said efficiency remains a priority and there are cost savings put in place. Mr Hartley outlined our surplus for the next financial year is forecast at £8m.

11.8 Looking in more detail, Mr Hartley explained the figures as follows: Patent fees are expected to bring in £3m, Examiner growth (renewals) are expected to bring in a further £3m. He said the Trade Mark volume increase is offset by the Trade Mark trench meaning a renewals reduction of around £1.5m next financial year. Mr Hartley said our overall income is expected to be £99.5m.

11.9 Next, Mr Hartley focused on outgoings. He outlined the main as follows: workload growth (-£3m), already agreed costs e.g. printing (-£3m), attrition/vacancies (-£2.5m) and efficiency savings (-£2m). He added other notable outgoings were transformation Tripod costs, GDPR, investment for the revised strategy and bids. Furthermore, Mr Hartley discussed the budgets that have been allocated to Change, Policy and Operations Committee with the end result being able to agree directorate budgets and the role of the boards.

11.10 Mr Austin commented that his concern is IPO are understating costs having considered the list of issues and it strikes him that it appears IPO are trying to do a lot more for the customer but spending a lot less. Mr Austin stated his main concern is the time delay. Mr Moss said that we're showing where we broadly want to spend this budget.

11.11 Mr Hadley had some reflections which were: (1) he endorsed the concerns around the length of time it takes for the money to come from the budget; (2) he felt some spend which could be consider 'normal' investments as opposed to transformational; (3) ensuring value for money and being clear on how to measure return on investments, and (4) there are increasing signs of a spending review in 2019 which may will create opportunities for bidding around Enforcement. Mr Moss stated it is a priority to ensure we deliver the best benefit for the people we serve. Mr Rowan commented that the investments that we make will reduce overall business costs (e.g. online).

Action: The Steering Board to get back to Mr Haikney with any examples IPO should focus on to help take the Strategy forward.

Information Papers

There were no comments on the information papers from the Steering Board.

Date of Next Meeting:

Wednesday 28th March 2018