

**NOTE OF THE INTELLECTUAL PROPERTY OFFICE STEERING BOARD  
MEETING HELD ON 31 JANUARY 2017**

**Attendees:**

**Non-Executive  
Directors**

Bob Gilbert (Chair)  
Gary Austin  
Iain Maclean  
Tim Suter  
Andrew Mackintosh

**IPO**

Sean Dennehey Acting Chief Executive Officer  
Louise Smyth Chief Operating Officer  
Ros Lynch Director, Copyright and Enforcement  
Neil Hartley Director, Finance  
Mike Fishwick Chief Technology Officer  
Julyan Elbro Acting Director, Patents  
Steve Rowan Acting Director, Tribunal, Trade Marks and Designs

**BEIS**

Paul Hadley

Pippa Hall Acting Director, Innovation  
Adam Williams Acting Director, International Policy  
Michelle Wall Deputy Director, Finance  
Sian Simmonds Shadow  
Stuart Purdy Shadow  
Simon Haikney Head of Strategy & Planning  
Kathryn Ratcliffe Head of Secretariat  
Rebecca Friend Secretariat

**1. Chair's Introduction, minutes and update on actions**

- 1.1 Mr Gilbert welcomed everyone to the meeting noting that Neil Hartley needed to depart as soon as possible for a Board Meeting at Companies House.
- 1.2 Apologies were noted from Ms Nanayakkara and Ms Haberman.
- 1.3 Mr Gilbert informed the Steering Board that his term as Chair has been extended until the end of September, but he hopes to continue in the role until the Away Day to have a more natural conclusion and handover.
- 1.4 Mr Gilbert explained that there had been an exhaustive process for recruiting a new Chief Executive, and the panel have now recommended a candidate to the Minister.
- 1.5 Mr Gilbert confirmed that the IPO has extended an invite to Alex Chisholm, Permanent Secretary, to visit the Newport office.
- 1.6 The actions were reviewed. With regard to the Women Onboard scheme it was confirmed Dominic Houlihan was investigating a new scheme involving the private sector called the Future Boards Scheme, which appears more suitable than the previous scheme. It involves a swap between public sector and private sector leaders who will sit on each other's Boards, and not a full time staff swap. The cost of this scheme is £5,000 and the Steering Board noted their support to it.

- 1.7 Mr Mackintosh requested some lines from IPO regarding Brexit, Mr Williams was asked to send these to the Steering Board by the end of the week.
- 1.8 Mr Austin requested some more information regarding the results of the People Survey, which Ms Smyth confirmed she would circulate within the week.
- 1.9 The minutes of the meeting held on 30 November were approved.

## **Strategic**

### **2. Finance Report**

2.1 Mr Hartley provided the Steering Board with an update of IPO's financial position. Spend is being brought forward to mitigate the expected surplus. Mr Hartley confirmed there has been an increase in income which has resulted in an increase in resourcing and the pool of people within IPO. Mr Austin noted that we are not required to pay the exit fees for UKSBS. Mr Suter enquired whether the training budget being underspent was related to an over estimated budget or people not receiving the training they require. Mr Dennehey confirmed this was an over estimated figure and that the learning and development scores in the People Survey are the 4<sup>th</sup> highest in the Civil Service. Mr Gilbert noted the IPO's good financial prudence.

### **3. Corporate Plan: Finance and Budget**

3.1 Mr Hartley updated the Steering Board via his paper and asked the Board to note the proposals. Mr Suter queried the fact that technology spend was reducing, which he considered unusual. Mr Hartley confirmed that this was due to contracts being renegotiated and fewer licensing requirements, and more in line with efficiency saving. Ms Smyth confirmed the spike was TRIPOD and that costs will roll forward, but there will be savings. Mr Hadley asked about the accommodation costs for 2018/19 and Mr Hartley explained the figures reflected the worst case scenario following the GPA's expected acquisition of the freehold of Concept House, where we may be required to pay both commercial rent and maintain the current rate of dividend to BEIS. Ms Smyth updated the Steering Board regarding the freehold of Concept House and Mr Hadley confirmed he had not been exposed to this and needs to be updated. Mr Hartley concluded by confirming the budget will be finalised in line with the Corporate Plan.

## **Governance and Performance**

### **4. Chief Executive's Report**

4.1 Mr Dennehey delivered his report, he updated the Steering Board on the new Minister, Jo Johnson to confirm he has been invited to visit the IPO. Mr Dennehey drew the Steering Board's attention to BEIS Joint Chairs and CEO Conference on 26 January and Angie Ridgwell visit on 25 January. Mr Maclean also attended

the Joint Chairs Conference and was pleased to note people were positive about the IPO and enthusiastic to find out about IP training. Mr Dennehey also highlighted that the Cabinet Office are launching a Code of Practice between Departments and Partner Organisations and he has been invited to the launch of this in February.

- 4.2 The Steering Board were pleased the move off the patents mainframe was successful, and noted that the PTP project had been positively assessed by GDS. It was confirmed that Investors in People assessment has begun with discussions with the Executive Board and this is an important process. The Diversity conference was a huge success.
- 4.3 Mr Mackintosh questioned the expectation on people at the IPO and the approach to challenging the norm in ways of working. Ms Smyth clarified the approach the #adaptive team is taking is that they are self-managed groups and are able to recognise the boundaries in which they should work, and Mr Maclean supported this following a discussion with the #adaptive team on the work they are doing, particularly around ensuring increased productivity from their work. Mr Mackintosh said he would welcome more information on this, and Ms Smyth agreed it would be appropriate as a future agenda item for the Steering Board.
- 4.4 Mr Mackintosh highlighted the success of two IPO blogs being marked as joint top in a Cabinet Office audit.
- 4.5 Mr Austin asked for more detail on the House of Commons Science and Technology Select Committee, particularly the IP elements of this and the links with the technology transfer issue. Mr Dennehey agreed to circulate the Committee's report once issued.
- 4.6 Mr Austin noted the reduction in levels of misleading mail, with no complaints being received in December, and congratulated the IPO in their efforts to achieve this.
- 4.7 The Steering Board thanked the Chief Executive for his report and noted the successes.

## **5. BEIS Update**

- 5.1 Mr Hadley updated the SB on the changes in BEIS, drawing their attention to the launch of the Industrial Strategy Green Paper. He highlighted amount of effort around this both within the Department and IPO. It is now in the Consultation stage which will take 12 weeks, to be followed by a White Paper later in 2017. Mr Dennehey agreed and advised the Industrial Strategy is a great opportunity to engage with stakeholders, and confirmed the IPO are ensuring it is incorporated fully into the Corporate Plan.
- 5.2 Mr Hadley outlined the current Departmental drive to increase earned autonomy amongst Partner Organisations, and agreed that IPO already manages the approvals process well and would be in a good place to develop further their

earned autonomy. Mr Hadley and Ms Smyth agreed to discuss the current approvals process and earned autonomy opportunities.

## **6. Corporate Performance Report**

- 6.1 Ms Ratcliffe introduced the corporate performance report, focusing on areas that were red or amber and highlighting any changes in status.
- 6.2 The Board discussed the overall performance, in particular the supporting targets of 'issuing 90% of search reports within 6 months from request' and 'provide good service for patent customers in quality assessed actions', as these are both showing red. Mr Elbro confirmed the 90% target is realistic, it keeps focus and is very valuable, outlining that the IPO is anchored on a gold standard of service.
- 6.3 Ms Ratcliffe highlighted the Operating Model showing as amber and updated the Steering Board as to the current phase of this work, which is looking at the policy and supporting functions. She flagged that the leadership and managing change score in the People Survey was red. Mr Mackintosh asked for clarity around what leadership and change training was taking place, and Ms Smyth outlined a programme of leadership training for senior leader and for managers, and a separate series of courses for change agents. Mr Austin highlighted concerns around the loss of IT people and Ms Smyth reassured the Board that this is being closely monitored and managed, and a recruitment fair was being held this week to get more resources.

## **Strategic**

### **7. Corporate Plan**

- 7.1 Mr Haikney invited the Steering Board to comment on the draft plan as it stood, highlighting some further developments from the Executive discussion at IPOB. Mr Maclean drew attention to the phrase "bring their whole selves to work", asking for clarity on what this meant. Ms Smyth explained the term is used widely in the office and is a widely recognised diversity term.
- 7.2 It was agreed for Mr Haikney to join the next NED telephone call, due to the tight timescales for publishing the plan and the quick pace this will be developed.
- 7.3 Mr Suter requested to see more BREXIT information, how the IPO will feed into BREXIT, what will change at the IPO. He added that consideration should be made as to wider international trade deals that may develop, which was supported by Mr Gilbert. Mr Williams responding by confirming the points will be taken into consideration.
- 7.4 Mr Gilbert also asked whether the Hague Convention would attract addition costs for the IPO. Mr Rowan confirmed that this would not be the case.
- 7.5 Mr Mackintosh asked for clarity regarding the difference between Ministerial Targets and Corporate Priorities and asked Mr Haikney to review the Away day

actions to check they flow through the plan. Mr Dennehey provided an explanation on the Ministerial Targets and Corporate Priorities, outlining that Ministerial Targets are the highest priorities for the IPO, and are in-year deliverables which are laid in the House by the Minister by way of a Written Ministerial Statement. He said that Corporate Priorities are related to change and are where we commit our resources if there are conflicting requirements.

7.6 Mr Austin queried the 80% customer satisfaction target, outlining that this has been in place for some time and asking if it was challenging enough.

7.7 Mr Haikney will circulate the comments from the Steering Board and send them updated drafts with the changes highlighted.

## **Topical**

### **8. IPO IT Strategy Update**

8.1 Mr Fishwick updated the Steering Board regarding the Recruitment Fair for IT staff planned for 02 February, with over 100 people expected to attend. He emphasised however, that recruitment is still a challenge, particularly in testing and software engineering.

8.2 Mr Fishwick also drew the Board's attention to the changes to the IR35 rules that will affect the contingent labour market, which is approximately 18-20 people within IPO. The Board made suggestions of alternative ways to get contingent labour, which Mr Fishwick will discuss with Ms Smyth. Mr Fishwick stressed the importance of achieving transfer of knowledge to help the development of existing resources.

8.3 Mr Fishwick explained that the Commercial Team are now in place and are making progress in reducing operational expenditure, with further savings from developing our remote worker offering and a review of Skype for Business to make it more stable.

8.4 The Steering Board were pleased with Mr Fishwick and his teams' approach.

### **9. Information Papers**

9.1 The Steering Board asked if the Calendar of Events could be developed to cover a wider selection of dates to allow NEDs most opportunities to attend.

9.2 Mr Gilbert noted thanks for the information papers provided and closed the meeting by thanking everyone for their contributions.

Date of Next Meeting: Thursday, 30 March 2017