

**NOTE OF THE INTELLECTUAL PROPERTY OFFICE STEERING BOARD
MEETING HELD ON 30 November 2017**

Attendees:

Non-Executive Directors

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

IPO

Tim Moss	Chief Executive
Sean Dennehey	Deputy Chief Executive
Simon Haikney	Head of Strategy & Planning
Kathryn Ratcliffe	Head of Secretariat
Clare Blackwell	Secretariat

BEIS

Paul Hadley

Board Apprentice Scheme

Sheila Chapman

Apologies

Nora Nanayakkara

Presenters:

Neil Hartley	Director, Finance
Adam Williams	Director, International Policy
Ros Lynch	Director, Copyright and Enforcement
Dominic Houlihan	Acting Director, People, Places and Services
Lesley Babb	Head of Pay

Observers and Shadows

Terry Williams (Sean Dennehey's shadow), Max Emery (Observer)

1. Chair's Introduction, Minutes, Update on Actions and Declarations of Interest

1.1 Mr Gilbert welcomed everyone to the meeting, including Sheila Chapman and the Shadow and Observer.

1.2 Apologies were noted from Nora Nanayakkara and the minutes of the previous meeting were approved.

1.3 The action log was discussed and the Steering Board noted that the PIPCU Funding agreement was being signed on 30 November 2017.

1.4 Tim Suter highlighted that he has joined the Board of Ofcom.

Governance and Performance

2. Chief Executive's Report

2.1 Mr Moss highlighted a number of items in the Chief Executive's Report, firstly noting IPO's recent successes which included IPO being ranked as a top ten employer in the Working Families Top Employers Benchmark 2017, winning the Large Company of the Year Apprentice Cymru Award 2017 and the Excellence Awards which had taken place on 29 November 2017.

2.2 Mr Moss and Mr Gilbert had recently attended the BEIS CEO & Chairs Forum. Mr Gilbert noted that a table of involvement for EU Exit was produced and IPO were at the top, adding that the team had done a great job of helping DExEU understand issues. Mr Moss mentioned an Innovation Workshop that is taking place on 8 December with organisations such as Innovate UK.

2.3 Mr Moss updated the Steering Board on visits and meetings with Stakeholders, who are very impressed with the IPO and the work that it does. Mr Moss said he recently had a successful visit to China. The Steering Board noted that the European Patent Organisation had elected a new president, Antonio Campinos.

2.4 Mr Moss said the People Survey results had been received and IPO ranked 18th in the Civil Service Organisations. Mr Moss highlighted the IPO response rate was 85% and the engagement index was 66%, which meant the IPO was 1% above the Civil Service High Performers Benchmark. Mr Moss mentioned that a discussion had taken place at the IPO Board meeting on 23 November and there will be a focus on two or three key issues. He added that 'Hive', a real time engagement measurement tool, will be rolled out across the IPO, and will provide feedback every week.

2.5 Mr Moss provided an update on the UPC, the parliamentary debate went through on 29 November 2017 and the next stage will take place on 6 December 2017. The Ratification of the Geneva Act of the Hague Agreement was discussed and it was noted that IPO believes it is unlikely to receive ratification before May 2018, due to delays in the Parliamentary process.

2.6 Mr moss noted the advertisement to replace the Chair of Audit and Risk Committee had gone live.

2.7 The Steering Board discussed #Adaptive and questioned what the next similar project would be, considering it is in its final year and had been well received. Mr Moss made it clear that the IPO would continue to adapt and keep the momentum going. He said it is a key area of the strategy and it will be looked at how IPO links all of it together. Mr Maclean added that if he could assist in any way, he would like to do so.

3. BEIS Update

3.1 Mr Hadley provided an update on the Partner Organisation event, stating that the meetings are now scheduled well in advance.

3.2 Mr Hadley explained that under the new sponsorship model proposed by the Department, Gareth Davies' group would have a new "governance" lead who would begin in January.

3.3 Mr Hadley updated the Steering Board on an imminent audit report which looked at the sponsorship arrangements between IPO and BEIS. He would share the report as soon as it becomes available.

3.4 Mr Hadley mentioned a quarterly return that his team puts to the centre of the department, which includes risk scores for Partner Organisations. He said IPO had had a longstanding low risk/ impact assessment but that it was clear challenges were increasing on a number of fronts. He said the risk assessment would therefore be revisited. Mr Hadley confirmed this assessment was his, based on known challenges to the organisation, but that he was happy to share the snapshot provided.

Action:

Mr Hadley to circulate the report from the recent BEIS/ IPO relationship audit to Steering Board once it becomes available.

4. Finance Report

4.1 Mr Hartley presented the Finance Report and asked the Steering Board to note the current financial position, next year's budgets, longer term issues, PIPCU funding and ONS classification work.

4.2. Mr Hartley advised the Board that there had been some changes since the paper had been produced, which included costs surrounding re-platforming TM10 by 2019. He said that due to extra third party and contractor costs to start the work, in addition the forecast now includes an extra £800,000 of costs. He said this and other changes have reduced the forecast surplus in the paper from £5.3m to circa £3m.

4.3 Mr Hartley said the planning round for next year had begun, with first set of figures and capitalisations up to date. Mr Hartley explained that more work needed to be done surrounding trade mark demand and patent renewals were going up significantly. Mr Hartley was confident in setting the budget and will be going to the IPO Board meeting in December with the final forecast, for sign off in January. Mr Mackintosh asked for clarity on the efficiency Ministerial Target, and Mr Hartley agreed to discuss this with him separately.

4.4 Mr Hartley made the Steering Board aware that ONS had undertaken classification on fees on separate entities.

Action:

Mr Hartley and Mr Mackintosh to discuss the Ministerial Target – Efficiency gain of 3.5%.

5. Corporate Performance Report

5.1 Mr Haikney updated the Steering Board on the corporate performance at month seven. He highlighted that eight of IPO's ten Ministerial Targets were reporting green for the month. Mr Haikney said the Hague Agreement target was reporting as red, as IPO are waiting for the debates on the SI to be arranged.

5.2 Mr Haikney indicated that fourteen of IPO's eighteen Corporate Priorities were reporting green for the month. He noted the SPC filing service target was reporting as red and the team are reviewing what needs to be done for this to get back on track.

5.3 The Steering Board discussed the delivery confidence target, provide a good service for patent customers in 95% of quality assured actions, which was reporting red. It was mentioned that when the Patents Transformation Project (PTP) was moving forward, there were concerns surrounding having too many temporary staff and a decision was made to lift the freeze on A-span recruitment.

5.4 Mr Dennehey highlighted a meeting he had had with an IPO customer where he explained IPO patent fees and how they work. Steering Board agreed guidance on this may be useful.

Action:

Mr Dennehey to review how different costs of maintaining patent applications are being publicised.

Strategic

6. Update on the IPO's Digital Agenda

6.1 Mr Moss provided an update on the PTP project which had been paused following the decision to end the contract with the supplier as they could not deliver what was required. Mr Mackintosh questioned the cost implication of this and Mr Dennehey advised there would be no new costs, and some write-offs required. Mr Moss explained that there are lessons learned that are on-going, which included being very clear about key requirements.

6.2 Mr Moss explained that EU Exit will pose IT challenges with the need to migrate 1.3m EU trade marks and 300,000 designs to the UK register. He said Change Committee (CC) asked the business to investigate the IT and operational

implications of this. Mr Moss explained it was found that TM10 would not cope in the current format and four options were presented to CC. He said the decision was taken to re-platform TM10 and DEPS. Mr Moss noted that IPO would still make use of current blocks of work, such as UX forms. The Steering Board discussed the chosen option in full and Mr Moss made Members aware that CC will be meeting on 11 December 2017 to work through the implications and make decisions on the IT prioritisation requirements going forward.

6.3 The Steering Board discussed the Digital Strategy and whether the TM10 re-platform was consistent with the goal of delivery of the digital transformation within three years as discussed at the Steering Board awayday. Mr Moss advised that this was still the ambition and this is work that needs to be completed, it is not EU Exit dependant as the IPO would still need a resilient platform for trade marks.

6.4 Mr Moss said that Michelle Wall has taken over the role of SRO for Tripod, following the departure of the Chief Operating Officer and work to refresh the IPO strategy. He explained this presents the opportunity to re-focus Tripod, taking the Customer Journey and Digital Platform into account. Mr Moss confirmed the TM10 re-platform will not be part of Tripod.

Action:

- **Re-platforming TM10, including a demonstration of the proof of concept to be discussed at January's Steering Board meeting.**
- **Ms Powell to escalate the TM10 risk from the Change Committee risk register to the Board risk register.**

7. IPO Strategy Review & Steering Board Awayday: Update on Actions

7.1 Mr Haikney updated the Steering Board on the position of the strawman for the IPOB strategy refresh. He said the strategy is 80% complete and a 3x3 structure had been agreed, with more work needed on outcomes and measures. Mr Haikney explained that IPOB had agreed that Directors would split into three teams to further develop the actions/activity underneath the three strategic areas:

- Delivering Excellent IP Services
- Creating a World-Leading IP Environment
- Making the IPO a Brilliant Place to Work

Mr Haikney confirmed the teams will report back to the IPO Board meeting on 21 December 2017.

7.2 Mr Haikney said an initial engagement event is scheduled to take place on 8 January 2018 to present the draft strategy to senior leaders, where the Board will facilitate workshops to allow delegates to interact with the draft strategy. He said the Board had defined a group of leaders to attend.

7.3 The Awayday outcomes and think&ink summaries were discussed and it was raised that as well as looking at IP awareness for young people being aware of

infringement, there is a need to make them aware that IP relates to them and their future careers. It was also discussed that that IPO needs to be more specific about the deal for our people.

7.4 The Steering Board agreed that the strategy refresh is good work in progress and requested the item return to Steering Board in January, with a comparison against what was discussed at the Steering Board awayday and if it is not in the strategy, provide an explanation why.

Action:

Mr Haikney to present an update and comparison between the IPO Strategy refresh and Steering Board awayday outcomes at January's meeting.

Topical

8. Copyright Hub, PIPCU and IPO role in Enforcement Education and Awareness

8.1 Ms Lynch provided an update on the Copyright Hub, which is continuing to search for a sustainable funding model. It was questioned whether there is a benefit to giving more formal notice to reinforce the message that there will be no further funding from the IPO after March 2018. Ms Lynch explained that it had been made very clear that there will be no further funding, which was communicated in writing to the then Chair. The Steering Board agreed that no further communication was needed.

8.2 Ms Lynch provided an update on the industry led campaign 'Get it Right from a Genuine Site', explaining the Minister is considering the bid for further funding.

9. International Forward Look and EU Exit Tracker

9.1 Mr Williams provided an EU Exit update for the period 11 July – 30 November 2017. Mr Gilbert requested that Mr Williams keep the Steering Board up to date on resourcing of this work.

9.2 Mr Williams advised that future appetite for trade relationships will continue, concluding that the Department for International Trade will ensure trade remains a focus for IPO going forward.

10. Diversity

10.1 Ms Babb and Mr Houlihan presented an update on the progress made on the diversity and inclusion Ministerial target in the last six months and plans for the remainder of the year. Ms Babb mentioned the flourishing network groups within the IPO for all, which included Disability Network, LGBT and BAME. She said the groups

are people led and were going from strength to strength. Ms Babb added there had also been good work on outreach with IP inclusive.

10.2 Ms Babb updated the Steering Board on areas for improvement, such as equipping managers to have honest conversations, gender balance at senior grade and the recruitment strategy.

10.3 Ms Babb said there will be focussed workshops in individual Directorates regarding Bullying and Harassment which was an outcome of the People Survey. She added #Adaptive are completing a piece of work around behaviours and a working group will be created across the organisation. Mr Houlihan mentioned that there are already procedures set in place such as harassment officers and HR working with individual directorates.

Action:

Ms Babb and Mr Houlihan to return to Steering Board in March 2018 to present a Diversity session.

11. Information Papers

11.1 Mr Austin mentioned the internal audit. Mr Moss had met with the internal auditor and there are plans in place to make sure it does not happen again. Mr Austin confirmed there will be an update at March's Steering Board on the Internal Audit Plan.

11.2 Mr Moss confirmed the IPO are developing a plan of mitigation against the GDPR risks and a key piece of work surrounding GDPR is returning to CC in December.

11.3 The Steering Board noted concerns surrounding economist recruitment issues, which is a concern that affects Government, not just the IPO.

Date of next meeting:

31 January 2018, 10am