



## Steering Board Meeting Note

**Date:** Tuesday 31<sup>st</sup> July 2018

**Time:** 10.00 – 16.00

**Room:** CH B3/AOS 1.05 VC

**Attendees:** Tim Suter (Chair), Tim Moss, Mandy Haberman, Andrew Mackintosh, Iain Maclean, Paul Hadley (BEIS), Lopa Patel, Andrew Lawrence, Gary Austin, Julyan Elbro, Ros Lynch, Simon Haikney, Secretariat

**Apologies:** Sheila Chapman, Nora Nanayakkara, Steve Rowan, Kathryn Ratcliffe

**Observer:** Mike Bastin

Meeting Date	Action	Action owner	Timing
31.07.18	<b>Approval of minutes from the previous meeting</b> Secretariat to amend the previous meeting note in paragraph 7.25 to change the GDP figure from 0.7% to 1.7%.	Secretariat	November 2018
31.07.18	<b>Declarations of Interest</b> Lopa Patel and Andrew Lawrence to fill out declarations of interest forms and send to Secretariat.	Lopa Patel and Andrew Lawrence	November 2018
31.07.18	<b>Corporate Performance Report</b> Steering Board to send any comments to Simon via email correspondence regarding the Corporate Performance Report.	All Steering Board members	November 2018
31.07.18	<b>Steering Board Away Day</b> Simon to select a leader from each group to coordinate the pre-work for these group sessions at the away day.	Simon Haikney	September 2018
31.07.18	<b>NED Roundtable Updates &amp; NED Conference Calls</b> Steering Board members to consider if there is any value in having pre-steering board conference calls and if there could be an alternative way of	All Steering Board Members	November 2018

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	doing these. If anyone has any suggestions email Tim Suter/Secretariat.		
31.07.18	<b>Tripod/Digital Service design</b> Tim Moss to send any updates via email to steering board members if anything changes regarding TM10 after Change Committee meetings.	Tim Moss	Immediately
31.07.18	<b>Information Papers</b> Steering board members to email any questions regarding information papers to Tim Suter/Tim Moss.	All Steering Board Members	Immediately

### Chair's Introduction

1. Tim Suter welcomed everyone to the meeting and introduced the newly appointed Steering Board members: Andrew Lawrence and Lopa Patel. Tim noted it was Gary Austin and Iain Maclean's last Steering Board meeting as their appointments have come to an end.

### Apologies

2. Apologies were noted from Nora Nanayakkara, Sheila Chapman, Steve Rowan and Kathryn Ratcliffe

### Approval of minutes from the previous meeting

3. Minutes from the last meeting were agreed however one small amendment was noted in paragraph 7.25 – amend the GDP figure from 0.7% to 1.7%.

### Actions:

1. Secretariat to amend the previous meeting note in paragraph 7.25 to change the GDP figure from 0.7% to 1.7%.

### Update on Actions

4. All actions were noted as closed and completed.

### Declarations of Interest

5. Tim noted that Lopa and Andrew had to fill out the relevant forms and send them to Secretariat

### Actions:

2. Lopa Patel and Andrew Lawrence to fill out declarations of interest forms and send to Secretariat.

### 6.Governance and Performance

## 6.1 SB(18)23 Executive Report (Tim Moss)

6.1.1 Tim Moss explained the Executive Report is still work-in-progress. He said the report is structured around the three pillars of the strategy and he would welcome feedback on the report from the Steering Board. The main points Tim started with were: 1. Workload in Trade Marks – we are seeing a flattening in demand during July and this will be monitored throughout the summer period. 2. Workload in Patents – workload is flat but the number of examination staff have changed. Tim said there are also issues on the backlog which we are endeavouring to understand although some of this was linked to the increased work due to the fee changes.

6.1.2 Tim explained there is also a challenge of the retention of examiners, where 34 have moved in past year. He said a significant amount (12) have moved to other areas in the office which is positive as we haven't lost experience however demonstrates how we need to plan the future pipeline to be prepared.

6.1.3 Tim said there are 10 new examiners starting in September. He added we don't have the capacity that was planned but don't want to over recruit. Tim explained the primary issue is the level of resource available. He said there's a higher level of recruitment and more use of overtime is being looked at, as well as having a mid-year recruitment in March in addition to recruitment in September. Tim said examiners being a part of project groups is also a factor. He added he has been considering the capability of the EPO, and had admin council approval to have support in the bio-chemistry area, which is now in the process of being set up.

6.1.4 Tim Suter stated that the EBR needs to be one level above this report in terms of information presented. The NEDs need to know what's important and what they need to worry about so the information needs to be contextualised. The Board agreed Tim Moss, Julyan Elbro and Steve Rowan will meet before November's meeting to discuss making necessary changes to the report for next time.

6.1.5 Tim explained the EUIPO president has changed. He said Christian Archambeau has now been elected as executive director of EUIPO and Antonio Campinos has taken up his post as the President of EPO.

6.1.6 Tim said the report shows the breadth of work going on internationally and Adam Williams and Liam Hynes are working on our new international strategy, reflecting our new corporate strategy and also linking into the FCO and DIT trade commissioners' agenda.

6.1.7 Tim said the Hive tool continues to provide feedback. He explained response rates could be higher but there is consistent level of feedback being received. Tim said the average engagement score is 7.2/10 and around 30-40% of people give feedback each week. The Steering Board agreed a demonstration of the tool would be useful at a future meeting.

6.1.8 The Board discussed the layout of the report. Some Board members expressed they liked reading the report but it was agreed the report needs a narrative and priorities. The Board suggested the report needs to be one level above what it already is as NEDs need to know specifically what is important and the worry list to contextualise problems. They felt this will help guide the Board and aid them to be more efficient in helping guide IPO in their roles. The Board suggested the way the data is presented can then support the narrative. They mentioned that the report has a very positive spin, naturally, but it would be good for the more 'worrying' questions to be brought up so the board can interpret. The Board agreed the pictures were a good visual to keep in future reports. Overall, less

information is better and next time we need to focus the report on the progress made, what is worrying the Executive so the NEDs can provide advice and support.

## **6.2 BEIS Verbal Update (Paul Hadley)**

6.2.1 Paul Hadley explained BEIS' first key issue is preparations for the spending review. He said it is still unknown when this will start (possibly Autumn) and end. Secondly, Paul said there is a Government ambition to achieve 2.4% GDP target for research and development. Thirdly, Paul added the industrial strategy is a key focus; various sector deals have been announced in previous months and there will be more in the pipeline for IPO to remain engaged with.

## **6.3 SB(18)24 Finance Report and Funding IP Initiatives (Neil Hartley)**

6.3.1 Neil Hartley explained that forecast has been adjusted to reflect the impact of the early fees paid by customers at the end of the previous financial year. He said spend is below budget which is typical for this time of year. Neil added that overall there is a lower surplus being forecast and the challenge is around pay and recruitment forecasting.

6.3.2 The Board discussed that it is not an unusual occurrence to see people getting ahead of a fee increase and that the forecast for the next financial year seems conservative. They noted that last year's forecasts were slow on picking up on changes so for the executive to monitor any unexpected surplus this year.

6.3.3 Neil discussed the second part of the paper, IP Initiatives, which discussed how we deal with our reserves and is a long-term piece of work. He explained the aim is to create a list of options for spending our reserves to deliver benefits for IP customers and the innovation agenda. Neil said his first step was to produce a prioritised list and asked the board what role they wanted to play in this and if there should be any additions to the list.

6.3.4 The board discussed that having these plans and recognising the reserves is positive and something the Steering Board should be involved in. They also discussed how to measure the impact and IPO's capability to undertake this, suggesting there needs to be agreed parameters beforehand.

6.3.5 The board all agreed this is a good position to be in. They also agreed it is beneficial to look at a few significant options as opposed to many smaller tactical changes. They agreed this will form part of the discussion on the Strategy Away day.

6.3.6 Tim Suter summarised by re-iterating the board must be involved in this decision-making process. He suggested the IPO should look for something substantive to focus on and ensure agreement from BEIS.

## **6.4 Corporate Performance Report (Simon Haikney)**

6.4.1 Due to timing, it was agreed for any comments could be sent to Simon via correspondence.

### **Actions:**

3. Steering Board to send any comments regarding the Corporate Performance Report to Simon via correspondence.

## **7. Strategic**

### **7.1 EU Exit and Trade – Verbal Update (Adam Williams)**

7.1.1 Adam Williams provided an update on the EU Exit and Trade work for the period April – July 2018.

### **7.2 SB(18)26 Steering Board Away Day (Simon Haikney)**

7.2.1 Simon Haikney discussed that the away day is booked and will be a full day based in London. He explained part 1 will focus on the Executive and Non-Executive working together and part 2 will focus on delivering the strategy. Simon said this is an opportunity to check we are focusing on the right priorities and what else we may need to do. Simon asked the board to consider two questions: 1. What is the board's view on the agenda and 2. How will the set teams work together, and what do we expect the outcomes to be?

7.2.2 The board expressed it would good to spend more time discussing the bigger issues like EU Exit and IT however appreciated the point of an away day is to focus on strategy and what the IPO needs to look like post-Exit and what influence we can have. The Board suggested we can shape these suggestions and discussions under the pillars set in the agenda. They discussed making the team exercise competitive and run them together. Another suggestion was to stretch these team sessions out as a pitch for the reserves investment.

7.2.3 Tim Suter summarised stating we need to return to the investment pot and operational planning for the EU Exit at the away day. He said this has to look forward to the world post-Exit and how we plan our strategy. Tim added the away day must not be too internally focused.

#### **Actions:**

4. Simon to select a leader from each group to coordinate the pre-work for these group sessions at the away day.

### **7.3 NED Roundtable Updates & NED Conference Calls**

7.3.1 Iain Maclean raised the topic of the balanced scorecard and Tim Moss said the principles around a balanced scorecard are being explored as this is a favourable approach.

7.3.2 Gary Austin explained there was an issue raised at the last ARC meeting around considerations being taken to centralise information security in other parts of the Government. He said the fact that this is being discussed is positive. Tim added there was a formal letter from BEIS last week with details about what this will mean in practice and although the underlying principles are good there are many concerns about how this could work.

7.3.3 Tim Suter asked the board to consider if there is any value in having pre-steering board conference calls and if there could be an alternative way of doing these.

#### **Actions:**

5. Steering Board members to consider if there is any value in having pre-steering board conference calls and if there could be an alternative way of doing these. If anyone has any suggestions email Tim Suter/Secretariat.

## **7.4 Tripod/Digital Service design – Verbal Update (Mike Fishwick, Andy Bartlett, Matt Geddes)**

7.4.1 Mike Fishwick discussed the development of our digital services and the work going on to develop a clear view of what our enterprise-wide services could look like. He explained as part of this the Enterprise Architects have been doing work on how we can define services. Mike said they collated examples of every type of customer form used across IPO, considering the purpose of the form and separating paper from electronic, patents from designs etc. Mike said there were a total of 117 forms and these were then transposed onto a model and re-grouped under the 4 enterprise-wide areas of: apply, assess, manage and challenge. Mike said out of this, 10-12 business services were identified, which represented over 90% of all activities by volume. He explained the team then mapped how we could turn 117 forms into 10 enterprise-wide services which is very transformational. Mike added however, a mind-shift needs to take place in designing these services. He said a good example was the renewals project team, who have embraced the shift in the thinking. Mike highlighted we need to create an unconstrained process, a digital workflow and then layer any constraints in afterwards.

7.4.2 The board discussed the Trade Marks replatforming. Mike explained the background including the significant potential increase in Trade Marks due to EU Exit. He said the current TM10 system is made up of many component systems which we have to recompile when making any changes and that TM10 is historically problematic. Mike added this presented a problem in dealing with EU Exit and the preferred solution was to replatform the system.

7.2.5 Mike confirmed analysis is being carried out on an end date and progress has been mixed. He said there has been a huge amount of user feedback, and we cannot implement like for like. Mike explained 95% of all activity is handled by around 3 customer forms. He said we cannot get all of the intricacies build into the systems by 29<sup>th</sup> March 2019 and the infrastructure needs to be sorted first.

7.2.6 Mike admitted there has been a struggle to prioritise the backlog of work but it is deliverable. He said there needs to be a focus more on where issues are in performance of the system. Mike said we have tried to reprioritise and focus on what we can do to mitigate the EU Exit issue.

7.2.7 Tim Moss discussed future planning and how we can deliver by next March. He said we need to put all necessary contingency plans and key milestones into place. He added we will keep the Steering Board informed of any changes.

### **Actions:**

6. Tim Moss to send any updates to Steering Board members of any changes and decisions regarding TM10 after Change Committee meetings.

## **8. Information**

8.1/8.2 It was agreed that both information papers (Board risk register & watch worries list and How we work) won't be discussed during the meeting but if anyone has any comments then to circulate them around the board members via correspondence.

### **Actions:**

Steering board members to email any questions regarding information papers to Tim Suter/Tim Moss

**Date of Next Meeting:** Thursday 13<sup>th</sup> September in London (Steering Board Awayday).