



Steering Board Meeting Note

Date: Wednesday, 17 November 2021

Time: 09.30 - 15.30

Location: A Suites, Concept House

Chair: Harry Rich

Attendees Steering Board Members: Laurie Benson, Harriet Kelsall, Andrew Lawrence, Tim Moss, Hilary Newiss, Shahid Omer (BEIS Sponsor), Kevin Orford & Lopa Patel.

Attendees non-Board members: Paula Brooks, Maria Ciavatta (CEO Office), Heather Dalton (Secretariat), Sian-Nia Davies (Mike Fishwick's alternate), Neil Hartley, Chris Mills, Karen Powell, Lisa Robinson (Secretariat), Adam Williams.

Apologies: David Holdsworth, Mike Fishwick, Pippa Hall & Ada Jabaru

Presenters: Andy Bartlett & Mary-Anne Venables

Chair's introduction

1. Harry Rich welcomed everyone to the meeting in particular the new Board members Harriet Kelsall, Hilary Newiss, and Shahid Omer as BEIS sponsor and noted this was his first meeting as Chair. He thanked the Executive Board for a great welcome into the IPO and noted he was pleased to be in the Office to meet attendees in person. Harry thanked Secretariat for arranging the meeting and said how fantastic it was to have social interaction with an agile approach.
2. Harry noted how the meeting would run and said how great it was that the organisation was as good as he had anticipated and said the Steering Board would continue to offer its support to maintain this effectiveness. Harry said he was impressed by the successes and effective change that the organisation had achieved for customers and would look to deliver continuity with the executive team.

Apologies

3. Apologies were received from David Holdsworth, Pippa Hall, Mike Fishwick and Ada Jabaru.

Approval of the minutes from the previous meeting

4. Minutes from the previous meeting were agreed. Harry noted thanks to Kevin Orford for his important contribution as interim Chair.

Actions

5. There were no actions to note.

Declarations of interest

6. The Chair invited declarations that were not already on the register of interest, or which were particularly relevant to today's agenda. None were raised.

Governance and Performance

Executive Board Report

7. Tim Moss presented this item and talked the Steering Board members through the highlights of the Executive Board Report (EBR). Tim then went on to note the key 'hot topics' that were the focus of the business at present.
8. Tim firstly discussed the mid-year directorate reviews and noted how incredibly busy the areas had been and how much activity they had completed. Tim added the fantastic performances he had seen cross teams and noted the Office was in a strong position against their priorities. Tim then explained the average overall satisfaction score was 85% for Q2, up from 84% in Q1 and was now meeting the Ministerial Target of 85%.
9. Tim said Transformation Programme had all three external delivery partners appointed and onboarded. Tim mentioned the project had come across some difficulties, but the architecture and operational teams had worked together to find a solution and they are now in a much stronger position regarding infrastructure and Deloitte are proving to be a good strategic partner. Tim noted Deloitte had highlighted the onboarding was the best they have ever had.
10. Tim added since April approximately five hundred cases per month had been cleared from the late patent exam backlog and we are on track to eliminate the backlog entirely by the end of the financial year, which was a considerable success. Tim explained the Trade Mark input for both Domestic and International Registrations continues at an elevated level. He said designs input for both Domestic and International filings are receiving record levels of input seeing a significant rise compared to the same period last year. Tim finished by saying we had reached the goal of 10 days to examine domestic Trade Marks and plan to hold this position.
11. Tim updated the Board on our continued, intensive work cross Whitehall and with UKMis Geneva, on the UK response to the proposal to waive provisions of the WTO (World Trade Organisation) TRIPS Agreement, to tackle the Covid-19 pandemic. He explained there continues to be a lack of evidence that IP was a barrier, and there remains a concern about an agreement to a waiver undermining investment in future innovation.
12. Adam Williams updated the Board in broad terms on the progress and challenges with our ongoing trade agreement negotiations. He explained whilst progress is being made across many fronts each agreement poses unique questions and pressure points to adjust the UK IP's framework. Adam said Ministerial agreement to the negotiation mandates was being sought across a number of agreements and IPO was working closely with BEIS, DIT, and others to ensure IP issues are factored in.
13. Adam said from an international perspective, but outside of trade negotiations, IPO was working on the contribution of IP to the Net Zero ambition. Further, Adam briefed that the

launch of the first phase of a revamped International IP Service to help business understand how to manage their IP abroad (a commitment from the Innovation Strategy) had begun and we are currently recruiting a new role to manage and further develop the service.

14. Tim updated the Board on further activity in the policy teams, first noting the AI (Artificial Intelligence) and IP consultation launched on 29 October and would run until early January, accompanied by a series of roundtables to gain additional stakeholder input. Tim added the remaining actions set out in the Government Response to the CfV (Call for Views) had been completed or were progressing well.
15. Tim highlighted our copyright policy work on artists' income from music streaming, which had been brought to the fore by the significant drop in revenue from live performance during the pandemic. Chris Mills added this is a big piece of policy work with the Department for Digital, Culture, Media & Sport (DCMS), explaining there was a need to look for evidence to ensure the consequences of any changes are properly understood, and to work with stakeholders to develop a common understanding of the different aspects of fairness in the industry. Chris noted there was a working group in place with industry representatives to deliver this work, and the new Minister is engaged in it.
16. Paula Brooks discussed the OD (Organisation Design) work that started in September with a steer from IPOB (IPO Executive Board) to consider how to organise IPO functions around Strategy, Policy and Services. Paula noted the team had presented initial thoughts to IPOB in October about options for functional groupings and would now work up the detail on one or two of the preferred options for the Board by December, with a view to implementing any changes in the new financial year. Paula also added in parallel, the decision was made to set up a separate Infringement Directorate, reflecting the specialist nature of this activity and our ambitions in this space, which would be achieved in the same timescale.
17. Kevin Orford queried the inclusion of additional income in the efficiency target. Neil Hartley noted this had been the way efficiencies had been forecasted for the last seven years and the auditors were content, but added that the Finance team are looking at a new approach to produce a better efficiency plan for the next five years. He confirmed this would follow the corporate planning route for agreeing Ministerial Targets and the Audit and Risk Committee would have sight of the proposals for the revised approach.
18. Lopa Patel queried the forecasting model for income. Neil said that income had grown since the budget was set and costs had been reducing each time the quarterly reforecast was completed. Neil noted the difficulty in forecasting due to the number of external factors causing things to be unstable, so significant parts were missed in the initial budget and later adjusted for in the Q1 reforecast.
19. The Chair asked for more details on the reach of consultations. Tim confirmed there was work to be done on extending the reach, and explained the plan to get a broad response on the AI consultation. Chris Mills noted the difficulties in reaching some stakeholders and explained there was a new tool coming in which should assist with this.
20. The Chair thanked the Executive Board for the report.

BEIS update

21. Shahid Omer introduced himself as the new BEIS representative. Shahid highlighted the appointment of George Freeman as Minister for Science, Research and Innovation and his focus on helping the UK become an innovation nation and a science superpower, noting the IPO has a clear role in this.
22. Shahid mentioned the Spending Review and how BEIS had secured around £40B for the next three years which was a significant commitment in innovation.
23. Shahid mentioned COP was a large milestone which BEIS was enormously proud of as there were some great achievements, and noted the IPO can continue to contribute to the Net Zero agenda. Shahid added the Innovation Strategy was being implemented with monthly reporting to Ministers on actions. The Chair welcomed the good and improving two dialogues between the IPO and BEIS.

Audit and Risk update

24. Andrew provided the Board with an update from the Audit and Risk Committee (ARC) meeting on 10 November. Andrew noted the Annual Accounts preparations were on track for year end. Andrew mentioned the ARC self-assessment was completed and this happens once a year. Andrew noted the feedback from the Committee that the IPO had made satisfactory progress and they had been provided with good assurance. Andrew also noted that both himself and Kevin's terms are up next year so succession planning for ARC was important.
25. Andrew said the Internal Audit Programme was in satisfactory progress and highlighted an additional piece on Transformation that was added by management. He said this came back with limited assurance, but the concerns were being addressed well with all teams working to find an agreed solution. Andrew noted the real changes to culture and the advantageous position the Office was in which was good for the significant investment in Transformation. The Chair noted that it was good that although the Transformation programme had faced challenges the executive team were on top of it.

Effectiveness review

26. The Board agreed the Effectiveness Review would be part of the agenda for the March meeting, so the Board have sufficient time to gain views on this as there was a number of new members.

Action: Secretariat to add Effectiveness Review to the agenda for the March meeting.

Organisational Design

27. Tim Moss and Paula Brooks presented an update on Organisational Design (OD) explaining the Executive Board had instigated this piece of work to ensure the organisation was set up in the right way. Tim explained this was something the Board had started a few years ago but

decided to restart the work this summer to look at the structure and bring the Office together in a more strategic fashion. Tim added Transformation would be key to this to ensure the structure fits the business needs, future challenges and ensure we go forward as OneIPO.

28. Paula explained the three key areas of strategy, policy, and design. Paula said the OD team represented all parts of the IPO and would work on the OD work as 50% of their current roles. Paula said the team had gone to IPOB with their initial findings and were now looking into the detail of team structures and roles and would report back to the Executive Board in December which would be mid-way through the process.
29. The Board agreed it was the right direction given all the changes within the Office and appreciated Laurie and Kevin's involvement through the Remuneration Committee in the process and asked for that to continue.

Transformation programme update

30. Andy Bartlett and Sian-Nia Davies provided an update to the Board noting the architecture update and running through the programme report summary. Andy explained the review of the proposed architecture to ensure it was the best option for the Office to deliver future services to our customers and was the last opportunity to change the architectural approach ahead of substantial investment. Andy said there was a need to get this right to transform services and ensure that transformation was led by user's needs. He explained the agreements from the review were to change the architectural approach, change suppliers, and pause development on CTC (Common Technology Components) and to review the best approach on that going forward.
31. Andy explained the benefits of the innovative architecture approach saying it would allow changes in future to be completed quicker and secure resources to deliver services with significantly lower full lifetime costs. Andy also ran through the next steps and high-level plan. Andy and Sian-Nia explained there had been issues but now IT and services are fully aligned and completing work collaboratively.
32. The Board agreed the way forward based around the principle of "start simple and only build complexity where required" but were clear that we must ensure we have the right tools to meet needs. The Board wanted assurance that the current architecture was sufficient for the tech in place now which Andy confirmed it was.
33. The Board asked how long the new systems would last and Andy noted it would be 10/20 years which was a standard approach for the lifetime of a system. Andy noted the systems would be easier and cheaper to manage going forward.
34. Shahid said from a BEIS point of view it looks like an exciting agenda and forward look and noted the spend control when deciding on choices within the framework.
35. The Board agreed Transformation Programme headlines of lesson learnt would be reviewed at the January meeting.

Action: Andy Bartlett to provide headlines of lessons learned in the January Steering Board meeting.

36. The Board agreed good governance was in place and asked the team to continue to maintain the principles. The Board also agreed it was good to see how the team had resolved the issue in such a collaborative way which was great for any further challenges that may arise.

Information papers

37. There were no comments on the information papers. The Board noted there were a lot of papers provided as information for the new Chair and Non-Executives, and there would be fewer information papers for further meetings.

Strategy Refresh and the Corporate Plan

38. Tim gave an overview of the structure of the strategy and the purpose and ambition against the Corporate Plan. Tim then went on to discuss a potential view of the IPO in 2025, including customer accounts live, education and business support partnerships with large-scale impact, an infringement behavioural change campaign launched. Tim wanted to ensure that IPO was a sought-out partner across government. Tim highlighted the potential of a new fees regime. Finally, Tim described his vision of the IPO having new capability in future trends, forecasting and planning, delivering benefits, as well as a Net Zero strategy and plan agreed and being implemented. On top of these Tim wanted the Office to be seen as a leader in wellbeing, inclusivity and engagement and be an employer of choice.
39. The Board discussed the vision and asked some questions. The Board questioned if we are getting enough value for money with the Cracking Ideas campaign and if it was effective enough, and if the right age range was being targeted. Also, the Board agreed the need to support and connect with small businesses going forward.
40. The Chair agreed along with the Board it was a good ambition and was going in the right direction in relation to priorities, noting it was both challenging and pragmatic. The Board noted it would be beneficial to focus on strategic ambition first and, based on this, then look at the financial possibilities.
41. The Board said the new strategy needs to have clear goals and needs to be specific to the IPO. The Chair felt that the strategy should be constructed as a working document to aid decision-making and planning in the IPO. More user-friendly versions could be produced for other purposes and audiences. Shahid noted the good vision and suggested we apply rigor, so it fitted with BEIS and government priorities and ensure the 'golden thread' was running through the strategy.
42. Meeting attendees then split into groups to discuss the following:
- Approach to the strategy refresh and Steering Board involvement in Office and stakeholder engagement

- Net Zero ambition
- Priorities for the Corporate Plan 2022-23

43. The feedback from the groups supported the overall approach, recommended that net zero should be linked into the pillars of the strategy and provide input into the priorities for the 2022/23 plan. The next iteration will be considered at the January Steering Board meeting.

Reflections of the meeting and close

44. The Chair thanked everyone for their contributions and asked the Board to reflect on two things that were good or insightful about the meeting and one that might have been different.
45. Members said: it was a good opportunity to network and talk with other Board members; the Chair had provided good guidance throughout the meeting; there was good challenge of items; Transformation was providing a positive cultural change; coordination of the meeting was completed to a high standard.
46. Members said: they would like shorter papers; it would be beneficial for the sessions and items to have clear expectations, so discussions are effective; tighter outcomes requirements on papers would be beneficial; the afternoon sessions could have maintained a better focus on what they were to achieve as it was a little unclear.
47. The Chair requested that members attend in the Office for the January meeting, then closed the meeting.

Date of Next Meeting: Wednesday, 19th January 2021