



Steering Board Meeting Note

Date: Thursday 9 June 2022

Time: 10.00 - 15.00

Location: Concept House B3

Attendees:

Chair: Harry Rich

Steering Board Members: Laurie Benson (remote), Harriet Kelsall, Andrew Lawrence, Sarah Mackintosh (BEIS), Tim Moss, Hilary Newiss, Kevin Orford, & Lopa Patel

Executive Directors: Sian-Nia Davies (Interim CTO), Pippa Hall (Chief Economist and Director of Innovation)

Non-members: Maria Ciavatta (CEO Office), Amy Morse (Secretariat), Lisa Robinson (Secretariat)

Executive Director attendees for afternoon: Julyan Elbro, Penny Phillpotts

Presenters: Andy Bartlett, Sally Long, Melissa Murray, Julie Griffiths

Apologies: Neil Hartley, Chris Mills, Karen Powell, Adam Williams

Chair's Introduction

1. The Chair welcomed everybody to the meeting, including Sarah Mackintosh from BEIS who joined the Steering Board for the first time. He noted it was Tim Moss's final Steering Board meeting before he moves on to his new role in Welsh Government and thanked him for his work as CEO of the IPO, his impact on the culture, the delivery of services, and the strengthening of the reputation of the IPO globally.
2. The Chair informed the Board that Laurie Benson, Kevin Orford and Andrew Lawrence had been reappointed for second terms as non-executive directors. He congratulated them and forward to their continuing contribution to the IPO.

Apologies

3. The Chair noted apologies from Chris Mills, Adam Williams, Neil Hartley and Karen Powell.

SB(22)26 Approval of Minutes

3. The minutes of the Steering Board meeting held on 29 March 2022 were approved.

SB(22)27 Action log

4. The Board discussed the action log and noted the following:
 - The summary of the IPO's surplus and five-year planning scenarios was to be circulated as soon as available.
 - The Steering Board risk appetite discussion was delayed because of the urgent discussion on headcount.
 - The Chair was to consider the NED fees action.

- All other actions were noted as closed.
5. The Board noted the paper provided on the whistleblowing process. Andrew Lawrence as Chair of Audit and Risk Committee (ARC) said he had a formal role in the process and commented that ARC was informed of informal internal routes to raise concerns and give feedback, such as pulse surveys, and felt assured by this. The Chair queried when the whistleblowing communications that were mentioned in the paper were to be sent out.
Action: Julie Griffiths to confirm when whistleblowing communications will be published.

Declarations of Interest

6. None.

Performance and Delivery

SB(22)28 Executive Board Report & Corporate Performance Report

7. Tim Moss presented the latest Executive Board report. On performance he noted the excellent work in services, the policy agenda, and across supporting teams. He highlighted key work on the Trade-Related Aspects of Intellectual Property (TRIPS) waiver to maintain the UK position and said negotiations were in the final stages.
8. Tim spoke about the changing environment in which the IPO was operating, including the government announcements on hybrid working and headcount reductions. He said the use of the office space was increasing, and events such as the jubilee activities were encouraging people to come into the office and collaborate more regularly face to face. Tim said changes to executive-level personnel were adding to the uncertainty and highlighted the need for senior leaders to create stability for teams and give support through this period.
9. The Board discussed the efficiencies figure of 17% for 2021-22 as this was a large increase on previous years. Tim explained the calculation has not changed and the high figure was a result of the increase in input volume and productivity in Trade marks and designs and was representative of the exceptional nature of the previous year. The Board heard that ARC had requested a detailed narrative to accompany the efficiency figure in the Annual Report and Accounts and had asked for a paper on the exploration of alternative methods of calculating efficiencies in future years.
10. The Board asked for more information on the monitoring and evaluation on the IP access scheme. Pippa Hall confirmed this was built into the scheme and highlighted that it would be a few months before impact would be seen. Tim commented that the current funding for the scheme would not be available next year so evaluation was important to assess if the IPO should fund the scheme going forward. The Chair requested a report to Steering Board on the evaluation results at a future meeting.

Action: Secretariat to schedule IP Access Funding Scheme Evaluation Results for a future Steering Board meeting.

11. The Board queried if the IPO had information on the IP-related business lifecycle of individual businesses and whether it was possible to monitor this through the systems being built as part

of the Transformation Programme. Tim explained the capability to do a broad range of analysis was part of the transformation plans but there were no specific plans on the business lifecycle aspect.

12. The Board asked if the customer issue on chasing the status of opposition proceedings had been resolved. Tim agreed to confirm this.

Action: Tim Moss to provide an update on the customer issue on chasing the status of opposition proceedings.

13. The Board discussed the financial forecasting noting the variation between the Q3 forecast and the year-end position. Tim agreed the variation was a concern and explained that the forecasting journey had shown great progress but there was more to improve upon.

14. The Chair thanked Tim and the Executive Board for the report. The Chair requested that the Chief Finance Officer, Neil Hartley, should attend Steering Board meetings at least until a new CEO was in position, and requested a financial overview item at the next meeting.

Action: Neil Hartley to present an overview of IPO finances, forecasting and future plans at the September Steering Board.

SB(22)29 ARC Update

15. Andrew Lawrence provided an update on the previous two ARC meetings; the 11 April meeting covered assurance items and preparation on the Governance Statement and the meeting on 24 May was focused on preparation for the Annual Report and Accounts, with discussion on efficiencies and constructive loss. ARC would meet on 5 July with a view to finalising the accounts and give a recommendation to Tim Moss to sign off the accounts as Accounting Officer.
16. Andrew highlighted that the IPO had received a moderate opinion from the Government Internal Audit Agency for the 2021-22 year which was a good result. Andrew said ARC had been updated on the DEPS designs system issues and were assured by the mitigations. The Committee had noted that the 2016 project had not been completed well hence the issues arising now.

17. The Chair thanked Andrew for the detailed consideration of matters by ARC.

SB(22)30 BEIS Update

18. Sarah Mackintosh spoke to the Board about the key priorities at BEIS in particular the headcount announcement. She confirmed the Innovation Strategy remained a Secretary of State priority and there was unlikely to be a change in appetite.

SB(22)31 Transformation Update

19. Andy Bartlett (Divisional Director of Transformation) joined the meeting to present an update on the Transformation Programme. He said there was fantastic progress across the programme, noting the Manage IP project had passed the alpha GDS assessment with

glowing endorsement. He said activity was ramping up with the Challenge IP project beginning the following week.

20. Andy highlighted the key risk on recruitment and resourcing across the Programme and linked concerns across the IT operations teams. He explained the tactical and strategic approaches to address this included an upcoming recruitment event and noted there were plans underway to manage the different scenarios that may emerge. Sian-Nia Davies, interim CTO, explained that a managed service was to be procured for the IPO's legacy systems to aid in moving IPO IT teams onto the Transformation Programme. She highlighted this would minimise the ability to make changes to legacy systems in the short term.
21. Sian-Nia updated the Board on a decision made by the Executive Board on grading some critical technical IT roles up to C2 level. The Board discussed the difficulty around resourcing for technical roles and Tim confirmed he had escalated these issues, and discussions were ongoing with other government departments and strategic delivery partners to gain insight across the technical resourcing environment.
22. The Chair said it was clear there was no complacency around the resourcing risk for the Programme but noted it was important that ARC continued to receive updates and test the decisions made as the situation develops so they could provide comfort to the Board.

SB(22)32 Organisational Design & Go Live Plans

23. Tim provided an update to the Board on the planned Organisational Design (OD) changes in the context of the announcement on Civil Service headcount reductions. The target operating model with strategy, policy and services streams was going ahead but some recruitment had been paused due to the urgent discussions on headcount changes
24. Tim explained that the Executive Board were considering pausing the recruitment of an Enforcement Director and creation of a new Enforcement Directorate because of the ongoing headcount work. He said this may be on hold for up to six months until the direction of reductions was clearer. The Board discussed and supported the decision. They recommended continuing with the rollout of OD to the original timetable to ensure there was a sense of moving forward.

SB(22)33 Levelling Up and Places Strategy

25. Tim introduced the item and explained that the IPO has had regional advisors since 2017 and was continuing to expand the Places strategy and link it with the central government Levelling Up agenda. He introduced Sally Long and Melissa Murray from the Places Team. Sally first presented a case study on the West of England Combined Authority (WECA) IP Audit programme to showcase how the IPO built strong relationships in regions, upskilling advisors and influencing policy decisions as well as ensuring IP was considered by SMEs throughout their business development.
26. The Board thanked Sally for the case study and commented it was encouraging that the programme was integrated into business support in the region. The Board asked about the

audit process, evaluation and return on investment. Sally explained evaluation would take place at the end of the year and would be led by WECA with support from IPO economists.

27. Sally then presented the paper on Levelling Up and the Places strategy and highlighted the priorities of developing a levelling up Executive Board champion, developing the innovation accelerator pilots, and using the 'drivers of IP' research to inform future policy thinking. The Board offered to help make connections with key parties where required. Tim highlighted the importance of IPO being an enabler to support the Levelling Up agenda.

SB(22)34 Steering Board September Plans

28. The Chair opened discussion on the plans for the Steering Board's September meeting. He recommended holding a standard Steering Board meeting rather than the previously proposed plans. He said this would give an opportunity for Non-Executive and Executive Directors to check-in on IPO continuity and stability in light of the change in CEO and the potential instability caused by the headcount issue. He noted a decision was needed with regards to meeting with the Senior Leaders Group. The Board agreed with the proposal.

Action: Harry Rich and Secretariat to discuss requirements for the September Steering Board meeting, including involvement of SLG.

SB(22)35 Non-Executive Members' Engagement

29. The Chair presented the paper on NED engagement for discussion. The Board agreed they were keen to take forward the proposals. The Board made the following additional suggestions:

- Informal meetings with senior leaders
- NEDs to join Senior Leader Group (SLG) meetings when available, including sharing their experience and skills to see where they could be most useful.
- Formal method of capturing NED experience and activities outside the meetings, such as a Chair's Report or annex to Executive Board report.

30. The Chair thanked members for their input and highlighted that the aim was to support continuity of leadership, NED involvement and visibility at the IPO, and activity and time commitment must be proportionate to ensure the value and outcome.

Actions:

- **Maria Ciavatta to arrange NED attendance at future SLG meetings.**
- **Secretariat and Harry Rich to consider a formal method of capturing NED experience/activities outside of SB meetings.**

SB(22)36 IPO Risk Management

31. Julie Griffiths (Head of Governance and Risk Management) presented the top three risks and noted a new risk on cultural impacts of the current uncertainty was in draft. The Board commented that there was a risk on loss of multiple executives at one time and recommended this was captured.

32. The Board noted the addition of the rolling RAG history for risks and said this was useful and drew their attention to static risks. Tim said it linked to the discussion on risk appetite as it illustrated that some risks had limited mitigations available.

Headcount and Hybrid Working

33. Tim Moss introduced the item, first updating the Board on the IPO's approach to hybrid working with a focus on collaborative working and incentivising site usage rather than mandating a specific level of in-office working. The Board expressed support for the principle of working in a way that was best for the organisation, ensuring delivery of its priorities and supporting the culture of the IPO, and acknowledged there may be external pressures to be managed.
34. Tim then moved on to the recent commission on Civil Service headcount reductions and explained the request was to provide scenarios at different levels to be considered by the centre. He said the IPO's approach was to articulate the impact of change on customers and government commitments, to ensure statutory requirements could be met, to prioritise the transformation programme and ensure policy priorities, most notably trade and Retained EU Law (REUL), were adequately resourced.
35. The Board discussed the proposals and provided insight into their experiences in other organisations where headcount reductions had taken place. The Board discussed the communications to the organisation and agreed with the plan to continue to be open and honest and provide high-level detail where appropriate.
36. The Board expressed support for the IPO's approach and recommended that the commission return included clear narrative on what government commitments would not be delivered under headcount reductions and the impact on UK innovation. The Chair noted that there may be a need for the Steering Board to meet sooner than the planned September meeting.
37. The Chair thanked attendees for their input and closed the meeting. A private session for Steering Board members took place following the meeting.

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