

Steering Board Meeting Note

Date: Wednesday 07 June 2023

Time: 17.00 - 18.30

Location: The Priory Hotel, High St, Caerleon, NP18 1AG

Attendees:

Chair: Harry Rich

Steering Board Members: Andy Bartlett (Deputy CEO), Harriet Kelsall, Andrew Lawrence, Hilary Newiss, Lopa Patel, Adam Williams (CEO)

Executive Directors: Sian-Nia Davies, Pippa Hall, Chris Mills, Penny Phillpotts, Sarah Whitehead

Non-members: Secretariat

Presenters: Adam Williams, Andrew Lawrence, Andy Bartlett

Apologies: Neil Hartley, Laurie Benson, Kevin Orford

1.1 Chair's Introduction

The Chair welcomed everybody to the meeting, noting that:

- 1.1.1 Since the last Steering Board meeting, Jo Shanmugalingam has been promoted to Second Permanent Secretary at the Department of Transport (DfT). Alexandra Jones will be the new Director General at the Department of Science, Innovation and Technology (DSIT).
- 1.1.2 It was agreed to invite Alexandra to the September Steering Board meeting to provide an update on DSIT priorities.
- 1.1.3 The Chair welcomed Joanne Watkins as the new Head of Secretariat.

Action: Secretariat to invite Alexandra Jones (DG of DSIT) to the September Steering Board meeting

1.2 Apologies

- 1.2.1 The Chair noted apologies from Neil Hartley, Laurie Benson and Kevin Orford.

1.3 Approval of Minutes

1.3.1 The minutes of the Steering Board meeting held on 29 March 2023 were approved subject to the ARC Annual Update' title being amended to 'ARC Update' and amending the wording of the related action.

1.3.2 Andy noted that in Section 2.1 regarding the business change activity with staff in BOD, the wording needs to be amended from 'past weeks' to 'past months'.

Action: Secretariat to amend the 29 March Steering Board minutes: amending 'ARC Annual Update' to 'ARC Update' and under 2.1 amending the wording from 'past weeks' to 'past months'

1.4 Action log

- 1.4.1 The Board discussed the action log and noted the following:

- Action 'IPO Risk Management Transformation Programme Board' – Andy noted there should be something around the general morale of the office on the Strategic Risk Register. Factors other than pay were contributing to this. He offered to pick this up with Penny to agree at the next IPOB meeting and then reviewed by the Audit & Risk Committee
- The Board acknowledged Penny's annex on Workforce Plans in relation to her action

Action: Andy Bartlett and Penny Phillpotts to discuss an office morale risk being added to the Strategic Risk Register. This will be agreed at the next IPOB meeting and reviewed by the Audit & Risk Committee

1.5 Declarations of Interest

1.5.1 Lopa stated the MoD Service Museums Review for which she is the Lead Reviewer is now underway.

2. Performance and Delivery

2.1 Update on Immediate Issues/hot topics

2.1.1 Adam presented the following current key risks, challenges and priorities for the IPO, which had not diverged greatly from March's meeting:

- **Workforce challenges** - We are currently in discussion with Senior Patent Leadership teams to restructure the area to match the approach to Transformation. A Voluntary Exit Scheme (VES) for business operation (BOD) staff whose roles will not be needed post-Transformation has been approved. The financial impact of that will be felt in the 2024-25 Financial Year. We are addressing the challenge of how to continue to motivate a workforce that needs to deliver for customers right up to the launch of transformed services when those roles will subsequently disappear. This is a sensitive issue to the members of staff affected and the situation is being handled as fairly as possible and other roles in the organisation are being offered to those affected when vacancies arise. The Board agreed that messaging needed to be clear, lessons learned collated and had trust that the executive leadership team were well equipped to handle this difficult situation
- **Pay** – Central Government have been in dispute with different parts of the Public Sector on pay but have now published its pay remit guidance for 2023/24. This includes an overall rise of 4.5% plus an additional 0.5% to be targeted at lower grades. There has also been an agreement to pay a one off, non-consolidated payment of £1500 to Civil Servants, which has been recognised as helpful but does not go a huge way at a time of a cost-of-living crisis. It has received a mixed reception from Unions who have accepted this payment but still plan to continue industrial action. This unbudgeted payment will cost IPO an extra £3.3m in total
- **Ministerial Targets met** – Internal Audit have agreed that all Ministerial Targets were met
- **Operations** – IPO is on the whole achieving its operational targets. Patent search backlogs are down helped in part by a contracting arrangement with EPO
- **Policy** – Good progress has been made on trade negotiations and they had a positive end of year directorate meeting. The Board discussed the good outcome achieved on the CPTPP deal. Policy discussions are continuing with HMT on AI and Copyright
- Sarah Whitehead is leaving IPO to become Director of Strategy at Companies House in July. Sarah's replacement will be Ben Llewellyn-Jones who will join IPO as Director of Business and International Policy

2.2 SB(22)20 Executive Board Report

2.2.1 The Board discussed the following:

- SMEs – The Board noted that the Customer Experience Unit (CEU) have appointed someone to lead on support to SMEs. This is also reflected in Corporate Priority Four
- Innovation – Pippa noted that in the Strategy workshop tomorrow there will be discussion around innovation and discuss how IP visibility can be increased
- Hybrid approach – it was confirmed that IPO is maintaining its position that staff should work in our buildings for at least 20% of their time

Action: Sarah Whitehead to check the language used in the India deal section of the EBR

2.3 SB(23)21 Finance Update (via correspondence)

2.3.1 No comments via correspondence.

2.4 SB(23)22 IPO Risk Management (via correspondence)

2.4.1 No comments via correspondence.

2.5 SB(23)23 ARC Update

2.5.1 Andrew provided an update on the most recent meetings which took place on 19 April and 26 May and noted the following:

- ARC's role is to provide assurance to Adam as CEO;
- Committee had spent a constructive session working through the draft Annual report
- We will need to decide how to disclose the litigation issue in the accounts
- We are trialling a new approach to how risks are presented – have tried to have these in two tiers (strategic and committee) but are open to comments from Steering Board
- Governance Statement – seeking to say that IPO has reviewed all controls and is good on all fronts
- There have been a number of challenges during the year which has put pressure on the control environment.
- ARC have reviewed the hard and soft benefits of the Transformation Programme – these are broadly on track to be delivered and the Committee have been encouraged by the report received. This would be useful for Steering Board to see, and it was agreed that it be circulated

2.5.2 The Board thanked Andrew for his update and focussed on the following:

- IPO are good at managing and identifying risks and noted it was useful to have the new risk heatmap
- Risk S83 Cyber – the Executive Board agreed that this risk could be monitored at Committee level (Delivering Excellent IP Services) and if the risk increased it would be reported on and escalated.

Action: Secretariat to circulate the report on the benefits of Transformation to Steering Board members

2.6 SB(23)24 Transformation Update

2.6.1 Andy Bartlett presented the Transformation Programme Update:

- Phase 1 is due to run until September, leaving approximately two months of build time before going into private beta. The Programme Delivery team (including the

Strategic Delivery Partner - Deloitte) remain fully committed to hitting the 4 September date. There is a Programme Board meeting on 14 June to discuss delivery velocity and remaining work which will help ensure we are striking the right balance between holding onto our initial delivery date without compromising scope and quality

- The people change impacts resulting from the Programme are significant, but the team are confident that this is being managed as well as possible and that benefits will be realised effectively. Sian-Nia noted that a significant number of DDAT staff have successfully benefited from Knowledge transfer (KT) and are moving or have moved from existing systems to Transformed systems.

2.6.2 Andy presented the Board with the following an update on Phase 2 procurement:

- Phase two will involve the deployment of Trade Marks and Designs on to our new technology. IPO have received a good level of engagement from suppliers. We have conducted a two-stage process– Bids have been assessed but no announcement has yet been made on who our delivery partner for phase 2 will be

Date of next meeting: 08 June 2023