



Intellectual
Property
Office

Steering Board Meeting Note

Date: Thursday 8 September 2022

Time: 10.15 - 15.15

Location: Concept House B3

Attendees:

Chair: Harry Rich

Steering Board Members: Andy Bartlett (Deputy CEO), Laurie Benson, Harriet Kelsall, Andrew Lawrence, Sarah Mackintosh (BEIS), Hilary Newiss, Kevin Orford, Lopa Patel, Adam Williams (interim CEO)

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

Non-members: Amy Morse (Secretariat), Lisa Robinson (Secretariat), Guy Robinson (interim Chief of Staff), Jan Gower (from item 6 onwards)

Presenters: Mark Warren, Karen Powell, Samantha Potter, Jan Gower (independent Transformation Programme Board member)

Apologies: Neil Hartley, Maria Ciavatta (CEO Office)

Chair's Introduction

1. The Chair welcomed everybody to the meeting. He noted it was Adam William's first Steering Board meeting as interim CEO and Andy Bartlett's first meeting as Deputy CEO. He also welcomed Sarah Whitehead as interim Director of Business and International Policy and Guy Robinson as interim Chief of Staff. The Chair noted that this would be Lisa Robinson's (Secretariat) final Steering Board meeting before she departs for her new role in the UK Space Agency at the beginning of October.

Apologies

2. The Chair noted apologies from Neil Hartley and Maria Ciavatta.

Approval of Minutes

3. The minutes of the Steering Board meeting held on 9 June 2022 were approved but noted an amendment needed to be made on point 31 on the third line removing the word 'not'.

Action: Secretariat to amend the minutes from 9 June 2022 and remove the word 'not' from point 31 on the third line.

Action log

4. The Board discussed the action log and noted the following:
 - a. The action for 'Harry Rich to consider formal methods of capturing NED experiences/activities outside of Steering Board meetings' was open and would be picked up at the end of the meeting.

- b. The action for 'Secretariat and BEIS Sponsor team to discuss NED fee arrangements' was open and the Chair explained he had had conversations with BEIS about this. NEDs are currently on a fixed fee basis and he proposed that for now the best solution was for NEDs not to put in more time than reasonable. Harry Rich urged the NEDs to speak to him if they have any concerns. It was agreed this action could now be closed.

Declarations of Interest

5. None.

Performance and Delivery

SB(22)37 Performance Update

6. Adam Williams presented the CEO Overview noting it was his first meeting as interim CEO. He invited the Board to ask any questions.
7. Adam introduced the Committees update and gave an overview of the Delivering Excellent IP Services Committee explaining that the focus has been on prioritisation and reapportionment ensuring there is a customer focus, and that the IPO are delivering Transformation.
8. Chris Mills presented an overview of the Creating a World Leading IP Environment Committee explaining that the cross-cutting issues the way that risk is managed within the Committee. There are broad, longstanding risks which will be subject to scrutiny on a regular basis. Another area of focus is Enforcement and there are numerous business cases for forthcoming campaigns work. Chris also explained the legislative approach where the focus in the short term will be on requirements for supporting Transformation.
9. Pippa Hall presented the update for Brilliant Place to Work Committee and outlined the main priorities which were morale of staff, CS25 and hybrid working. Pippa highlighted that the IPO has been excellent in recognising good work and have fully utilised the budget for Recognising our Best scheme.
10. Adam Williams updated the Board on hybrid working and assured the Board that the focus was on building the right culture as an organisation but within the context of the Government guidance to have more people on site. This has been a challenging issue and there is still a lot to learn, but the Board noted that staff have expressed some concerns, and this could be indicative of a changed relationship between senior leaders and the rest of the office.
11. Adam presented the Corporate Scorecard and noted there are a few amber areas under the Creating a World Leading Environment area, but most other areas were on track. The Board queried why work was stopping on IP Finance and Adam responded that it is more to do with timing, as there wasn't anything more on the accountancy side that needed to be done this financial year and with the added pressures of CS25 it was decided to pause this for this year.
12. Sarah Whitehead introduced the Customer Satisfaction Survey findings for Q1 noting that the overall findings were positive, demonstrating good performance and satisfaction. This is particularly apparent in Patent areas but there have been some decreases in the Designs

area. Overall, our staff are highly rated by our customers, but there is a big desire for improving IPO digital services which reinforces we're doing the right thing by the means of our Transformation programme. Sarah assured that free text sections, complaints and calls to the Information Centre are constantly brought together to identify key trends enabling us to improve service delivery.

SB(22)38 Quarter 1 Reforecast Report

13. Pippa Hall presented an update on Corporate Planning Impact. Pippa explained that when the Steering Board last met, the news of CS25 was new, and since then there has been a pause on non-critical recruitment, therefore the IPO will not grow as planned. She explained the Executive Board reviewed activity in terms of what can and can't realistically be delivered. Pippa explained that the new Strategy directorate will transform corporate planning by using a prioritisation framework.
14. Pippa asked the Board if they were assured by the approach to reprioritisation with CS25 and if the future planning procedures felt right. The Board agreed that the framework is clear and is a good way forward using a sensible approach. Pippa stated that once the framework is agreed at IPOB, it will be shared with Steering Board via correspondence.

Action: Pippa Hall to share the Corporate Planning Framework with Steering Board via correspondence once it has been agreed at IPOB.

15. Mark Warren presented the financial review and 5-year forecast. Mark explained that the previous year delivered a £27m surplus which raised the question of reviewing fees, with a focus on transformation requirements. He stated the Q1 reforecast showed a projected £17m surplus for this year but cautioned against being reactive given the uncertain environment.
16. Mark noted that this highlights the importance of the next corporate planning round. He said the fees review scoping work would be taken to IPOB for decision.
17. The Board agreed that this was a clear report and provided assurance, noting the options for managing the surplus were to reduce fees or decide on a robust way of using the surplus to support innovation and businesses whilst remaining within the IPO's remit.
18. The Board stated it would be useful to have a presentation on business support at the next Steering Board to understand current activity and to align with planning for next year especially with CS25.

Action: Sarah Whitehead to present an item on Business Support at the next Steering Board meeting on 2 November to align with planning for next year.

SB(22)39 ARC Update

19. Andrew Lawrence provided an update on the Audit and Risk Committee (ARC) meeting of 5 July 2022 and its main purpose was to approve the Annual Report and Accounts for sign-off by the Accounting Officer (Tim Moss). Andrew explained that the sign-off took place and the accounts were successfully laid before Parliament. However, Andrew explained it wasn't

possible to give a recommendation in the meeting and this was delayed until 14 July when the external audit report was finalised and was dealt with by the Chair over email. This caused issues in terms of timing and caused the Committee not being able to operate as it should have. Andrew affirmed that there is a review to understand why this happened but noted the poor service by the key assurance provider – namely NAO and KPMG.

20. The Board agreed it is not acceptable to conduct the Audit Committee's key responsibility via email and next year, if the Audit isn't finished, the Committee should be rescheduled. The Steering Board formally noted their concerns with the process but thanked the committee and internal teams for their diligence. They agreed that the NAO should also be aware of the concerns of the Board.
21. Andrew highlighted the other key matter which were discussed by ARC – namely efficiency reporting and the concern over the calculation and presentation of this. The Board questioned if the Executive were confident this would be resolved for the current financial year. Andrew stated that there is commitment from Neil Hartley to review this calculation and this would be reported to ARC in November.

SB(22)40 BEIS Update

22. Sarah Mackintosh updated the Steering Board about the current key priorities at BEIS and the headcount announcement. Sarah confirmed the Innovation Strategy remains a Secretary of State priority and there was unlikely to be a change in appetite. Sarah highlighted the new Ministers in BEIS noting Jacob Rees-Mogg had been appointed as Secretary of State for Business.
23. The Board agreed that there needs to be a consistent message from the NEDs to support the IPO. They discussed the new approach to Stakeholder Management under the Strategy Directorate.

Meet The Boards – this item was not formally minuted.

SB(22)41 Transformation Update

24. Jan Gower, the independent member on the Transformation Programme Board joined the meeting. Andy Bartlett and Jan Gower presented the update from the Transformation Programme, centred around resourcing and the decision to change the delivery timeline for the Programme by combining phases 2 and 3.
25. The Board questioned what the experience will be like for the customer in the newly transformed IPO world. They reiterated that with CS25 the IPO need to continue to deliver excellent customer service, and if transformation isn't delivered then there is a risk to the rest of the organisation. The Board echoed the need to ensure the whole organisation is on board.

SB(22)42 IPO Risk Appetite

26. Karen Powell and Samantha Potter presented this item and asked the NEDs to split to review the blank IPO Risk Appetite Table in two groups and debate the appetite IPO has for each category. They explained they would compare each groups answers to IPOB's view to see if

there is alignment and ensure the IPO is best equipped to make informed management decisions.

27. The two groups of NEDs discussed their views separately with Karen and Samantha and reconvened together to discuss their views on each category:

- Strategy: **NEDs** – open, open & **IPOB** – Eager

The NEDs felt that the strategy refresh felt a bit too slow but both groups agreed they are in the right territory.

- Governance: **NEDs** – cautious, cautious & **IPOB** – open

- Operations: **NEDs** – open, cautious & **IPOB** – open

- Legal: **NEDs** – minimal, minimal & **IPOB** – cautious

- Property: **NEDs** – minimal, minimal & **IPOB** – open

The Directors stated the IPO is not part of the Government Property Agency (GPA) at present and have been able to make some bigger strategic decisions alone.

- Financial: **NEDs** – minimal, cautious & **IPOB** – open

- Commercial: **NEDs** – cautious, cautious & **IPOB** – open

- People: **NEDs** – open, cautious & **IPOB** – open

- Technology: **NEDs** – eager, open & **IPOB** – open

- Data and Information Management: **NEDs** – adverse, cautious & **IPOB** – cautious

- Security: **NEDs** – minimal, cautious & **IPOB** – minimal

- Programme/Project: **NEDs** – open, open & **IPOB** – open

- Reputational: **NEDs** – cautious, cautious & **IPOB** – open

- Policy: **NEDs** – open, open & **IPOB** – open

28. Overall, the NEDs and Directors were in broad agreement with their risk appetite judgements.

29. Karen and Samantha asked the Board to consider if the risk areas presented are all equally important or if anything is missing. The Board responded that Operations feels most important, and Property feels the lowest risk.

30. The Board discussed how risk appetite can be embedded within the organisation to ensure that the IPO operates within the agreed risk appetite and asked to hear reflections on this within the next six months.

AOB

31. Pippa Hall suggested that Maria Ciavatta should be the main point of contact for NEDs going forward except for meeting information which can be agreed with Secretariat. She highlighted in particular that NEDs should speak to Maria about external engagement opportunities at the earliest opportunity.

32. The Chair expressed that they should be thinking a few meetings ahead of what needs to be brought to Steering Board and asked Directors to think about this. Adam Williams encouraged all Directors to reach out to the NEDs if their input is needed.

Reflections on the meeting

33. Attendees provided feedback on the meeting and agreed it was successful but there was work to be done on managing the agendas which always feel very full.

34. The Board agreed the whole Executive Board should attend each Steering Board, or a deputy should attend the meeting if an Executive Director was unavailable.

35. **Close**

Date of next meeting: 2 November 2022