

# **The Intellectual Property Regulation Board**

## **2025/26 Business Plan**

## **Business Plan – 2025/26<sup>1</sup>**

### **IPReg's strategic priorities**

1. In November 2023, reflecting the progress made in achieving its initial strategic priorities the Board re-cast its strategic priorities:

#### **A. Users of IP legal services and the public**

*Strategic priority:* To improve consumer knowledge and empowerment among users of IP legal services.

*We will do this by:*

- a. Increasing the public profile of IPReg to the regulated community and users of IP legal services;
- b. Increasing our understanding of the needs and expectations of users of IP legal services;
- c. Providing targeted and proportionate information to enable those users to make informed choices about their legal adviser;
- d. Increasing our understanding of the needs and expectations of all types of regulated attorneys/firms and disseminating information about best practice.

#### **B. The profession (current and future)**

*Strategic priority:* Setting, promoting and enforcing high quality education and professional standards for entry to the professions.

*We will do this by:*

- a. Using data and insights from our regulatory activity to influence the future of the profession in a way that ensures that appropriate standards are maintained and routes to entry onto the registers are varied and fit for purpose;
- b. Encouraging an increase in the good quality providers of qualification pathways and examinations, in particular as a tool to increase the diversity of the trade mark and patent attorney professions;
- c. Gathering data about the diversity of the profession (attorneys and students) to inform our decision making.

#### **C. IPReg**

*Strategic priority:* Carrying out our regulatory activities proactively, effectively and inclusively, ensuring the efficient use of resources.

*We will do this by:*

- a. Building our capacity to understand and respond to global and market trends (including the use of technology) that impact on intellectual property matters, the wider environment and our approach to regulation;

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<sup>1</sup> Note that all dates are for the calendar year

- b. Acting quickly and consistently when we identify potential breaches of regulatory requirements and conducting investigations efficiently and effectively;
- c. Encouraging innovation and competition in the provision of regulated IP legal services.

### **Driving forward our work on education**

- 2. The IPReg Board wants to maintain the momentum it has built up on education issues. Through the course of this work, we have identified a number of regulatory policy issues in the route to qualification for patent attorneys (particularly at the advanced level). We have therefore turned our focus (and resources) to exploring the policy issues raised about the patent attorney qualification route.
- 3. During 2024, we have been considering the most appropriate way to take this work forward. There are a number of different, inter-dependent elements to the work and we are in the process of recruiting a Head of Education Review project manager (in the same way that we did for the review of our regulatory arrangements) to ensure that project runs smoothly. Stakeholder engagement will be crucial to ensuring that the proposals we put forward have widespread support. We anticipate that, in addition to bi-lateral meetings, we will set up focus groups to discuss specific topics.
- 4. The epi has introduced wide ranging changes to the way in which the EQEs are structured. These changes will be introduced between 2025 and 2027. Currently, IPReg's regulatory arrangements provide that passing EQE papers A and B provides exemptions from the PEB's FD2 and FD3 exams.<sup>2</sup> We therefore need to evaluate the changes to the EQEs in order to establish how our regulatory arrangements need to change to ensure that exemptions can continue to apply (and, possibly, expand) and what transitional arrangements will need to be put in place. In 2024, we started working with Julia Gwilt (Chair of the epi Professional Education Committee) to map the new EQEs onto IPReg's competency framework. We realise the importance of providing as much certainty as possible to candidates and employers about our future approach. We will consult on the changes that are necessary and will take forward a rule change application to the Legal Services Board once we have considered the responses to that consultation. We will provide more information about timing during 2024 and continue the work into 2025.
- 5. In addition to the above work, we will continue to work on important issues concerning accredited attorney qualification providers:
  - a. Working with providers to ensure that accreditation recommendations are taken forward and quality assurance mechanisms are fit for purpose, including responding to key stakeholder feedback. Where there are concerns, IPReg will raise these with the provider to ensure that action is taken. This work will continue as necessary in 2025/26;
  - b. Working with providers to ensure that online delivery of courses and examinations meets the required standards;
  - c. Working with stakeholders and potential providers to encourage new qualification pathway options including apprenticeships;
  - d. We will continue to undertake reaccreditation assessments (typically every 5 years) of qualification providers.

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<sup>2</sup> There are other permutations for exemptions but this is the main one that we see on applications for admission to the register.

6. As part of this work, we will start reviews of the IPReg Competency Frameworks. We will also start a review of the Accreditation Handbook.
7. As a result of changes that have been proposed by the Patent Examination Board (PEB) for changes to all its Final Diploma exams, it is likely that we will have to undertake a full reaccreditation assessment of those exams. We understand that the PEB will be conducting a further consultation in September 2024 at which point we will be able to establish with more certainty the nature of the proposed changes and what this entails for the accreditation process.
8. We anticipate that this work will need significant input from external advisers, for example on the best approach to identify what should be included in the competency framework. We have therefore allocated £85,000 to this work in the budget.
9. This work supports in particular the regulatory objective of encouraging an independent, strong, diverse and effective legal profession.<sup>3</sup>

### **Thematic reviews**

10. Our new regulatory arrangements came into force on 1 July 2023. We are committed to reviewing the effectiveness of the new arrangements. The new arrangements were accompanied by an impact assessment. In 2025 we will review the impact of the new arrangements by updating the impact assessment. We will publish the revised impact assessment and ask for views on it from our stakeholders.
11. We will also assess the effectiveness of elements of the new arrangements by conducting thematic reviews:
  - a. Continuing competence – attorneys are now required to: assess, bearing in mind their existing skills and the nature of their practice, how they will maintain their competence. This means that they regularly:
    - Reflect on their professional knowledge and skills and identify any development needs;
    - Plan how these needs can be addressed through appropriate activities, training and other learning; and
    - Record the assessments and evaluate the activities they have undertaken in the light of those assessments.

Attorneys must confirm to IPReg annually that they have met these requirements and, if requested, provide to us their records or other material which demonstrates that they have met the requirements. We have transitional arrangements on enforcement of these requirements in place for approximately 18 months; they will end no later than 30 June 2025. This will give attorneys and firms sufficient time to become familiar with the new arrangements.

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<sup>3</sup> The LSA section 28(2) imposes an obligation on IPReg to, so far as is reasonably practicable, act in a way (a) which is compatible with the regulatory objectives, and (b) which [IPReg] considers most appropriate for the purpose of meeting those objectives. The regulatory objectives in the LSA section 1(1) are: (a) protecting and promoting the public interest; (b) supporting the constitutional principle of the rule of law; (c) improving access to justice; (d) protecting and promoting the interests of consumers; (e) promoting competition in the provision of [legal] services; (f) encouraging an independent, strong, diverse and effective legal profession; (g) increasing public understanding of the citizen's legal rights and duties; (h) promoting and maintaining adherence to the professional principles [in LSA section 1(3)]; (i) promoting the prevention and detection of economic crime.

In 2024, we are conducting random sampling of attorneys' records or other material to assess how well the new requirements have been embedded, identify any barriers to compliance with them and provide examples of good practice. Depending on the outcome of that review, a further review may need to be conducted in 2025.

If a second review is needed, this will be financed from our reserves.

- b. Transparency requirements – these will provide better information to clients and prospective clients about costs. The new rules require that attorneys give appropriate explanations to their clients about any financial benefits that they receive as a result of the work that they do. This includes commissions, foreign exchange rate uplifts or discounts or rebates. Attorneys also need to inform their clients about any referral arrangements in place such as payment of a referral fee and fee sharing arrangements. Although it will be for attorneys/firms to decide how to provide this information, it must be clear, accurate and sufficient to enable clients and prospective clients to make informed decisions about who to instruct. We will be conducting this review in the second half of 2024 and plan to publish a report on its findings and lessons learned early in 2025.

Once we have the results of the thematic review on transparency and have FTC information from firms' Annual Returns, we will consider whether we need to do additional work on FTCs. This will also be informed by our discussions with stakeholders on what type (if any) of quality indicators might be useful to users of IP legal services.

We have allocated £5,000 for follow-up work on transparency.

- c. During 2025, we will continue to assess applications for admission to our professional indemnity insurance (PII) sandbox. This enables testing alternative PII arrangements by providing a way for firms or sole traders to obtain PII from insurers who are not on IPReg's list of participating insurers. This will then enable them to apply to be admitted to, or remain on, the IPReg registers and be regulated. It may also be of interest to firms who are able to obtain cover from a participating insurer but who want to make alternative arrangements (perhaps for commercial reasons).

We will continue to monitor closely how the sandbox is working throughout 2025. Depending on the nature and extent of applicants and entrants, we will conduct a thematic review of how the sandbox is working towards the end of 2025.

We have budgeted £10,000 for this work which would be allocated, if required, to external advice (e.g. from an insurer or actuary).

12. This work supports all the regulatory objectives in the Legal Services Act 2007 (LSA).

### **Building our evidence base**

13. In addition to the data and evidence gathering work that we plan to undertake for the thematic reviews on continuing competence and transparency, we will continue to gather data and evidence about the nature of the IP legal sector.
14. Our Technology and Innovation Working Group has been established to advise the Board on its approach to changes in the way technology is being used to provide legal services in the regulated IP sector. Its work will continue in 2025 and includes:
  - a. Conducting regular horizon scanning to identify emerging technologies and innovative practices relevant to IP legal services regulation;

- b. Evaluating the potential impact of these technologies on the IIP legal services sector and regulatory processes;
  - c. Considering whether to recommend changes to IPReg’s regulatory arrangements to accommodate technological advancements.
15. We will continue to work with our external adviser who reviews relevant research by the other regulators, the Legal Services Consumer Panel and other bodies to evaluate whether it should be incorporated into IPReg’s evidence base.
16. This work supports all the regulatory objectives.

### **Diversity**

17. For the avoidance of doubt, we remain committed to keeping a ring-fenced reserve to fund suitable diversity initiatives. The reserve is currently set at £20,000.
18. We are undertaking a diversity survey in 2024 and will publish the results on our website. We do not plan to repeat the survey in 2025. However, we will review whether we can and should capture diversity data on the CRM on admission to the registers and as part of the Annual Return process, including the cost of changes to the CRM.
19. We will be using our work on diversity to inform our education workstreams. Understanding how to widen participation and progression in the profession will be a key factor in exploring different routes to qualification for patent attorneys. This information will form a key part of our education workstream and should help us to improve the opportunities at the earliest stages of education and training.
20. We will continue to work with, and contribute to, the cross-sector work on EDI. This will enable us to learn from stakeholders in the IP sector and other regulators. We will share our research and experiences and work towards a collective approach to gathering data, identifying barriers to entry to the legal profession and the sector’s approach to designing, implementing and evaluating regulatory interventions.
21. This work supports in particular the regulatory objective of encouraging an independent, strong, diverse and effective legal profession.

### **Responding to LSB consultations and related work**

22. The Legal Services Board (“LSB”) is IPReg’s (and the other legal regulators’) regulator. The volume of work that is generated by the LSB has increased significantly over the last 5 years. Prior to that, we were able to accommodate this work as part of our normal day-to-day business as usual. However, the current volume of work means that this approach is no longer possible and additional resources are needed. The Director of Policy undertakes this work as well as work on wider policy issues.
23. The LSB’s [Quarterly Activity Schedule](#) for 2024/25<sup>4</sup> shows a significant number of issues where IPReg will need to engage with and respond to the LSB’s work including in January to March 2025:
- a. Evaluation by the IPReg Board of our performance against the LSB’s performance management framework;
  - b. Considering the impact of the LSB’s proposals for regulators to advance equality, diversity and inclusion;

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<sup>4</sup> The LSB operates on a financial year basis.

- c. Considering the impact of the LSB's decisions following its consultation on professional ethics;
  - d. Responding to a possible LSB consultation on disciplinary and enforcement processes;
  - e. Ongoing engagement on technology (including AI) and its use in the IP sector;
  - f. Responding to the LSB's review of approaches to consumer vulnerability;
  - g. Responding to the LSB's work on a review of its Internal Governance Rules;
  - h. Responding to any consultation by the LSB of its own enforcement policy;
  - i. Considering the impact of any decision by the LSB on its work on access to justice.
24. In addition, the LSB's [Business Plan](#) for 2024/25 includes the following issues where IPReg will need to engage with and respond to the LSB's work:
- a. Responding to requests for information about IPReg's compliance with the LSB's new [regulatory performance framework](#);
  - b. Responding to ongoing monitoring requests from the LSB concerning its expectation that IPReg is meeting the requirements set out in its various statutory statements of policy;
  - c. Responding to any investigations and/or thematic reviews that the LSB undertakes which impact on IPReg's work;
  - d. Other requests for information during the course of the year.

### **Our day-to-day activities**

25. In addition to the specific areas of work set out above, the IPReg team carries out a wide range of "business as usual" activities. These include:
- a. Considering applications from individuals and entities for registration on, and removal from, the registers;
  - b. Providing advice on our regulatory arrangements;
  - c. Investigating complaints and taking disciplinary action where necessary;
  - d. Dealing with enquires to our CRM system and our "Info" email box.
26. These activities support all the regulatory objectives.

### **Impact of Covid-19: IPReg's office and Board meetings**

27. We are working on a hybrid basis: members of the IPReg Team must work in the office for a minimum of half their working time. We have considered whether it would be appropriate not to have a fixed base in London and to work permanently from home, booking regular meeting spaces as required. However, because IPReg is a small team, the IPReg Board considers that it is important to ensure that staff overlap as much as possible and our experience of returning to the office after the lockdowns is that it is highly beneficial to be in the office with colleagues when developing policy issues or generating ideas.

Nevertheless, we recognise that our office licence fee and related services costs is a significant proportion of the budget. We have therefore decided to move (in October 2024) to a smaller office with our current provider with an associated reduction in licence and service fees of £15,200 a year.

We have budgeted £63,950 for our licence fees and services.

28. The Board will continue its practice of holding hybrid meetings for its 7 scheduled meetings in 2025.
29. In September 2025, our Chair (Lord Smith of Finsbury) will complete his second term of office and step down from the Board. We will run an open recruitment campaign for his successor (who must be a lay person) and use an external recruitment consultant to help us with this process.

We have budgeted £30,000 for this.