

The Patent Regulation Board and the Trade Mark Regulation Board

Agenda

Thursday 18 January 2024 at 1.00 pm

Orwell Room, 20 Little Britain, London EC1A 7DH

NOTE THAT THERE WILL BE A ONE HOUR BOARD ONLY DISCUSSION AT 1PM BEFORE THE FULL BOARD MEETING TO CONSIDER: (A) THE BENCHMARKING REPORT FROM QCG; AND (B) 2024 STAFF PAY INCREASE

1. Apologies
2. Notification of any conflicts of interest

Items for decision/discussion

3. Minutes of December 2023 meeting and matters arising
4. Review of compensation arrangements (VS/FG)
5. IT system update (SE) – no paper
6. Education:
 - a. Education Working Group update – no paper
 - b. Barriers to entry project update – no paper
7. Risk Working Group (VO/VS)
8. Governance Action Plan progress – EDI policy and action plan (FG/GS)
9. Complaints update (SE)
10. CEO's report (FG)

Items to note

11. Action Log (FG)
12. Red Risks (FG)

Regulatory Statement - confirmation that, except where expressly stated, all matters are approved by the Patent Regulation Board and the Trade Mark Regulation Board.

Board Meeting 18 January 2024

Compensation Fund – consultation and rule change application

Agenda Item: 4

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This paper is for decision.

This Board paper will be published including the Annex (except the yellow shading which indicates redaction).

Summary

1. This paper relates to compensation arrangements to protect clients (or former clients) who have suffered a loss as a result of fraud or failure to account by an IPReg registrant. To increase the level of protection for users of regulated IP legal services, this paper seeks endorsement of the proposed changes to the current compensation arrangements:
 - a) Extending eligibility to make a claim on the compensation fund to entities with an annual turnover of less than £2 million (from the current criterion which is based on the definition of micro business¹ and will no longer use the criteria based on balance sheet or number of employees).
 - b) Increasing the limit for an individual claim to £30k (from the current £25k).
 - c) Removing the ability for IPReg to “use the Fund to pay any other costs, charges or expenses incurred by in establishing and administering the Fund”² meaning that the entire fund is available to provide compensation, providing more certainty and transparency for consumers about the total amount of compensation available in any one year (i.e. £100k).
 - d) Minor changes to the wording of the Compensation Arrangements Rules:
 - ☐ amending “this fund” reference at Clause 6 to “the fund” so that it is consistent with the definition in the Rules;
 - ☐ adding to Clause 15 that we may publish the decision that we make on a claim if there are no confidentiality or other issues in doing so. We would in any event be able to provide high level anonymised information in our Annual Report.
2. Actuarial advice is that these changes would not undermine the viability of the fund, are consistent with the guiding principles adopted by the Board at its [November 2023] meeting (see [paragraph \[10\]](#)) and could be implemented without the need to increase practising fees).
3. Seventeen responses (by 16 respondents – 1 firm provided 2 responses, 1 open and the other closed) to the [compensation arrangements consultation](#) were received. The overwhelming majority of those

¹ Having two of: (a) a turnover of £632,000 or less; (b) £316,000 or less on its balance sheet; or (c) 10 employees or fewer.

² Clause 3.1e of the current [Compensation Arrangements](#)

respondents endorsed these proposals without amendment. A summary table of the consultation responses received is provided as an Annex.

4. A rule change application will need to be made to the Legal Services Board (LSB) to take forward these new arrangements which must be in place by 1 May 2024.

Recommendation(s)

5. The Board is asked to:

- Discuss and note the consultation responses summary (Annex); and
- Agree for a rule change application to be made to the LSB for new Compensation Arrangements Rules.

Risks and mitigations

	Risk	Mitigation
Financial	<p>Fund is insufficient to meet all claims over the next 12 months.</p> <p>There is an opportunity cost to keeping £100k as a ring-fenced reserve that can only be used to pay eligible claims; it cannot be used to fund other regulatory activities.</p>	<p>The actuarial advice provided to the 2 November 2023 Board meeting stated that the fund is expected to be viable and meet all claims in full for the next 12 months in all but the most extreme scenarios.</p> <p>If there are no claims then IPReg retains the money in the ring-fenced reserve. Subject to actuarial advice, it may be possible to take out the interest earned and keep the fund at £100k.³ This differs from an insurance policy where the premium has to be paid each year and there are no refunds, even if no claims are made.</p>
Reputational	<p>A significant number of claims would mean that the fund would be unable to meet all claims. This could damage IPReg's reputation.</p>	<p>The actuarial advice is that the fund is expected to be viable and meet all claims in full for the next 12 months in all but the most extreme scenarios.</p>
Resources	<p>No specific resource risks. Actuarial and legal drafting resources and costs of £15-20k have been/will be incurred.</p>	<p>We used the actuary who has previously advised on this matter as he is familiar with our current arrangements and other similar compensation funds.</p>

³ Note that no allowance has been made for investment income (bank interest) or future subrogation recoveries (these are very material for the SRA's fund which last year made grants of c£15m but recovered c£10m). These can therefore provide a 'buffer' for poor claims experience / enable future releases from the fund.

		We instructed Kinglsey Napley as they drafted the regulatory arrangements in the new style.
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Background

6. From 2014 (when it was designated as a Licensing Authority) to 2021, IPReg provided compensation arrangements (as defined in the Legal Services Act 2007 s21(2)) by means of an insurance policy with Royal Sun Alliance (RSA). The annual cost of ~£30k was funded through practising fees. In 2021, IPReg was informed that RSA was not going to offer terms for renewal of the policy, due to streamlining its portfolio in the run up to a potential sale. No other insurer was willing to offer a similar policy.
7. When the RSA policy was withdrawn, IPReg established a compensation fund to which individual consumers and micro-businesses⁴ are eligible to make a claim on the compensation fund in the event they suffer loss as a result of fraud or failure to account. In agreeing IPReg's proposed rule change to set up the fund, the LSB required a sunset clause to be added, meaning these current arrangements will end on 30 April 2024.
8. No claim has ever been made on our compensation arrangements. Since the 2021 application was made to the LSB, IPReg has increased its evidence base about the type of clients that use regulated IP legal services. In particular, IPReg's work on the review of our regulatory arrangements included gathering evidence on specific areas that are relevant to consideration of the design of the compensation fund going forward:
 - a. The IP legal services market is largely business to business;
 - b. Low levels of client money are held and issues such as mishandling of client money are not common in terms of misconduct or claims on PII;
 - c. There are few complaints – the most common reason is complaints about costs information.
9. The regulatory arrangements review led to a change in the definition of “client money” to “money held or received by you or your firm in connection with work undertaken for a client, excluding any advance payments for costs received where the terms have been agreed”. This change is likely to result in lower levels of client money being held by regulated firms, with a consequent reduction in the amount of client money at risk from fraud or failure to account.

⁴ Micro-entities are very small companies. A company is [a micro-entity](#) if it has any 2 of the following: a turnover of £632,000 or less; £316,000 or less on its balance sheet; 10 employees or less. There were [5.2 million microbusinesses](#) in the UK in 2022, accounting for 95% of all businesses.

Scheme guiding principles

10. We have applied the following guiding principles: viability, stability, manageability and transparency:⁵

Principle	Detail	How met by IPReg Scheme
Viability	Maintain viability of the fund	Scheme initially fully funded (to £100k). Regular actuarial reviews to re-consider balance required for claimant security. Regular review of insurance availability by broker.
Stability	Contributions as manageable as possible	Various 'rating matrices' considered (e.g. by firm turnover, whether client money is held) but these would be overly complex to administer given small annual contribution (c£25k from practising fees)/risk level.
Manageability	Contributions collected in manageable way	Contributions (total £25k), equivalent of c2% of practising fees for most firms. Not cost effective to adapt CRM etc to collect separately.
Transparency	Transparency about fund monies	Separate bank account held. Regular actuarial reviews .

Options previously considered

11. We considered a number of options - provided in the [2 November 2023 Board paper](#) - for the future design of the compensation fund which were determined not to be appropriate or proportionate:

- a) *Do nothing*:- whilst the actuarial report found that, considering proportionality and materiality, there is no new data to suggest that the current fund model needs revision, ie. with this option there is a reputational risk to IPReg that would arise from any LSB criticism or refusal of such a 'no changes' application.
- b) *Revert to an insurance policy*:- broker advice was that we would need to credibly commit to injecting £250-500k or so a year to such a fund, which would not make sense given IPReg's annual budget is just over £1m. The actuarial advice agreed with this cost/benefit assessment.
- c) *Remove the limit per claim*:- actuarial advice to consider a single claim at £100k as an extreme scenario, was not considered a transparent or stable approach as IPReg would be very unlikely to agree one single claim that would exhaust the entire fund, with the consequent immediate need to replenish the fund ie this would not meet the "Stability" objective.
- d) *Changing the limit per firm, or total per year for claims, both being £100k*:- the actuarial report considered the £100k limit per firm sufficient to protect the fund from the failure of a single firm and given the fund is only for dishonesty, is a hardship fund of last resort and that Professional Indemnity Insurance which covers negligence is a requirement for all firms and sole traders. The actuary's

⁵ These are the same as those adopted by the SRA.

report also noted that the fund (£100,000) has been set at a level to meet all claims in full in a reasonable, but not catastrophic (worst case), stress test. This is consistent with both the previous insured Scheme and the interim (self-insured) scheme.

- e) *Other options set out in the actuary's report which would have required changes to our CRM and significantly increase the complexity (and cost) of administering the fund:-* a no claims discount at firm level; allowing firms to pay more for higher limits; lower contributions if no client money is held by the firm; requiring run-off contributions if a firm ceases to trade. Given that the current (and proposed model) are considered sufficient to meet claims (except in a worst case scenario) and are low cost to administer, the actuary does not consider such changes to the funding model would be proportionate.

Compensation Arrangements Consultation

12. The [consultation](#) was issued on 16 November and closed on 4 January 2024. The consultation paper was shared with CIPA and CITMA before being published and the IP Practice Directors' Group was notified of its publication. We emailed all registrants, IP Inclusive, the IP Federation, our small firms contact and the Legal Services Consumer Panel to notify them of the consultation. Responses were received from the 2 representative bodies, the Chartered Institute of Patent Attorneys (CIPA) and the Chartered Institute of Trade Mark Attorneys (CITMA), 4 firms: [REDACTED] 7 attorneys in private practice, and 3 sole traders. The overwhelming majority of the resources were fully supportive of the proposals made in that consultation. See Annex for a summary table of the responses and the IPReg policy position in relation to any suggested amendments. Suggested amendments relate to: a trial period of eligibility being extended to businesses with income of less than £1 million, before extending it to those with less than £2 million; rewording of the Compensation Arrangements Rules; and applying the cost based upon firm size. Each of these are considered in turn within the following section.

Increase the limit per claim from £25k to £30k

13. Consultation proposal: data from the [SRA compensation fund report](#) found a c£23k⁶ average successful claim, with the majority concerning matters in the areas of probate and conveyancing, neither of which IPReg registrants undertake. High levels of inflation could impact potential claimants in terms of the hardship that they face if there has been fraud or failure to account. Additionally, these inflation levels decrease the value of the current £25k per claim limit in real terms, which is why the actuary proposed increasing the limit per claim to £30k. The actuarial advice was that this change would not undermine the viability of the fund and could be implemented without the need to increase practising fees.
14. Consultation feedback: this proposal was backed by all respondents with the exception of one attorney in private practice who was agnostic to it.

⁶ The amounts vary from £12k in 2017/18 to £38k in 2020/21. However, our actuary advises us that there are substantial biases in the SRA data. For example, these claim statistics includes £10m from a single firm in 2020/21 and the top 3 claims in any year are all £1m+ and skewed towards higher value client money scenarios (e.g. probate and conveyancing). Removing these would reduce average claim to ~£20k. The SRA also note that <50% of claims are successful. Since £20k is the average for successful claims, the actual average per claim actually submitted is more likely to be around £10k.

IPReg response: we have not made any changes to this proposal.

Extending eligibility to make a claim

15. **Consultation proposal:** under the current rules only individual consumers and micro-enterprises are eligible to make a claim. This is because in the first year of the scheme, based on actuarial advice, we took a prudent approach to eligibility. This was criticised by the LSB in its Decision Notice. Therefore, the consultation proposed extending eligibility to include firms with up to £2 million annual turnover and to no longer use the balance sheet or employee criteria. This would make this aspect of the scheme consistent with that of SRA and CILEx Regulation, as well as bring it closer into line with one of the eligibility criteria to make a complaint to the Legal Ombudsman. Using information [published](#) by ONS, we estimate that roughly 287,000 more businesses will be eligible to make a claim on the fund in event of hardship caused by fraud of a firm or attorney registered with IPReg.
16. **Consultation feedback:** this proposal was backed by the majority of respondents. One attorney in private practice was agnostic to the proposal and another suggested a staged implementation, increasing eligibility in the first instance to businesses of £1 million turnover in the first instance and then, having evaluated the impact, if any, extend to the proposed £2 million turnover criteria.⁷

IPReg response: we do not consider a staged implementation to be necessary. We agree with the importance of monitoring and we have committed, in the event of a claim on the fund, to commission an actuarial review. In addition, there will be actuarial reviews at least every 3 years even if no claims have arisen.

Remove IPReg's ability to use the fund to pay costs, charges or expenses incurred

17. **Consultation proposal:** a common feature of this type of fund in the legal sector, the current compensation scheme rules enable IPReg to "use the Fund to pay any other costs, charges or expenses incurred by in establishing and administering the Fund".⁸ IPReg has not used the fund for this purpose and has paid actuarial and legal costs from its general income. To provide certainty about the total amount of compensation that is available in any one year, the consultation proposed removing the ability for IPReg to take its own costs from the fund. We would continue our practice of paying costs from practising fees (which actuarial advice states will not need to be increased due to this change).
18. **Consultation feedback:** all respondents endorsed this proposal. CITMA comments that there is no indication in the consultation as to how much it would cost IPReg in terms of human resource and financial cost to administer and consider any claims. CITMA noted that the 2024 budget indicates £10,000 for "Actuarial and Legal Costs in respect of Compensation Fund" but stated that it would be useful to know what proportion of this, if any, is projected to be for handling and considering claims.

IPReg response: our view is that given that we are not expecting any claims, there is no need to make specific budget provision. The RSA policy that was in place provided for wider eligibility than these proposals and so there is no increased likelihood of a claim. Actuarial advice is that data relating to 'Claims Handling Expenses' (CHE) is not available in the public domain. The CHE of a single claim would vary depending upon the complexity of the claim. The actuary's experience of other compensation funds

⁷ Another respondent also made a different point about turnover which we have subsequently clarified with them as they had misunderstood the proposal.

⁸ Rule 3.1(e)

is that such claims are relatively straightforward if all information requirements are met. In the event that claim is made to IPReg, it would be reviewed by the Executive team and a decision would be made by the Board (because this would be a novel event for IPReg). In the event of a claim arising from non-UK claimant, we would calculate the GBP value of the claim at the date of the loss, but that should not be an onerous process. The likely cost of considering a claim would therefore not be expected to have a significant impact on our budget.

Other feedback

19. Amendments to Rules: one of the respondents suggested: amending Clause 6, line 2 to “IPReg is responsible for managing the fund” from “IPReg is responsible for managing this fund” so that it would be consistent with the definition provided in Clause 1 which relates to “the fund”. The respondent also suggested adding to Clause 15 that we may publish the decision that we make on a claim if there are no confidentiality or other issues in doing so. CIPA queried whether the new compensation arrangements are limited to entities based in the UK and if so, suggested this should be made clear in the rules.

IPReg response: we agree with the proposed drafting changes. We will consider what information we should provide in the public domain about any claims, perhaps publishing anonymised information in our Annual Report. The eligibility to claim from the compensation fund applies to all clients of IPReg attorneys or firms, up to entities with a turnover of £2 million, irrespective of whether they live in the UK and whether or not the IPReg attorney or firm is located in the UK.

20. Individuals and small firms should provide the majority of contributions to the compensation fund: one sole trader said that larger firms would be able to provide their own compensation and/or that professional indemnity insurance can potentially cover fraud in some limited circumstances. They do not consider that attorneys in industry should be required to contribute. Additionally, they consider that there should be a visible levy applied on practising fees with a bias towards those in individual and small practices and given the absence of claims over the past ten years, this should be rebalanced over time by the contributions from levies and returns to general funds, and rebated to larger firms.

IPReg response: according to the actuarial report the overall funding cost (that is the ‘expected’ annual claims we are funding for, in the absence of any claims for last 10+ years) per attorney is c£7 a year. Actuarial advice is that this is consistent with the claims levels which insurers would have been funding in the previous insured Scheme (despite the Scheme having had no claims at all). We agree with our actuarial advice, that it would be disproportionate to charge each firm/attorney separately because, for a relatively small registrant base, this would not meet the “proportionality” objective. Potential rebates will be considered at each actuarial review. This will be made clear in the rule change application and in the launch of the new rules. It is considered consistent and transparent that clients (including businesses of turnover less than £2 million) of all firms and attorneys regulated by IPReg are eligible to claim compensation from the fund. The actuary’s report included options such as a no claims discount at firm level; allowing firms to pay more for higher limits; lower contributions if no client money is held by the firm; requiring run-off contributions if a firm ceases to trade. The proposed (and current) model is considered sufficient to meet claims (except in a worst case scenario) and is low cost to administer. Therefore the actuary does not consider such changes to the funding model would be proportionate.

These options were highlighted in the 2 November 2023 paper to the IPReg Board. The Board agreed with the actuarial advice that these options were not proportionate and would have incurred costs such as changes to our CRM and would significantly increase the complexity (and cost) of administering the fund.

22. Whether IPReg plans to return to an underwritten insurance policy: CITMA commented that it would be helpful to understand if IPReg's preferred approach would be to return, at some point, to compensation arrangements whereby an insurance policy is underwritten by an insurance provider rather than a dedicated compensation fund being held by IPReg.

IPReg response: as mentioned in the consultation, in 2021, IPReg's insurance broker was not able to find another insurer willing to provide a similar policy and this continues to be the case.

Rule change application

23. A rule change application will need to be made to the LSB in order to apply the new regulatory arrangements. It is intended that this will be made towards the end of January/beginning of February. As informed by the consultation feedback, the rule change application will cover:

- a) Extending eligibility to make a claim on the compensation fund to entities with an annual turnover of less than £2 million (from the current criterion which is based on the definition of micro business⁹ and will no longer use the criteria based on balance sheet or number of employees).
- b) Increasing the limit for an individual claim to £30k (from the current £25k).
- c) Removing the ability for IPReg to "use the Fund to pay any other costs, charges or expenses incurred by in establishing and administering the Fund"¹⁰ meaning that the entire fund is available to provide compensation, providing more certainty and transparency for consumers about the total amount of compensation available in any one year (i.e. £100k).
- d) Minor changes to the wording of the Compensation Arrangements Rules, amending the "this fund" reference at Clause 6 to "the fund" so consistent with its definition within those Rules and adding to Clause 15 that which we may publish the decision that we make on a claim if there are no confidentiality or other issues in doing so. We would in any event be able to provide high level anonymised information in our Annual Report.

Next steps

24. A summary of the consultation feedback will be published underneath the [consultation paper](#). Both will be included in the rule change application to be made to the LSB.

⁹ Having two of: (a) a turnover of £632,000 or less; (b) £316,000 or less on its balance sheet; or (c) 10 employees or fewer.

¹⁰ Clause 3.1e of the current [Compensation Arrangements](#)

Supporting information

Links to strategy and business plan

25. Reviewing the compensation arrangements has been a key area of our work programme. The current compensation arrangements will end on 30 April 2024, in keeping with the sunset clause timeframe agreed with the LSB. This paper covers what the arrangements will be after this period.

Supporting the regulatory objectives and best regulatory practice

26. This work supports the regulatory objectives of protecting and promoting the interests of consumers; the compensation fund provides recourse for consumers who have suffered loss as a result of fraud or failure to account. It also supports the regulatory objective of protecting and promoting the public interest because targeted and proportionate compensation arrangements provide confidence in the legal services provided by regulated attorneys.

Impacts

27. There are no specific impacts that we can identify on any group of attorneys because we propose to keep the system whereby the compensation fund is financed from practising fees (and do not envisage increasing the practising fees for this purpose).

28. We estimate that a significantly higher number of businesses will be eligible to make a claim if eligibility to make a claim is increased to include all firms with a turnover of up to £2m. Using information [published](#) by ONS, we estimate that roughly 287,000 more businesses would be eligible to claim.¹¹

29. To the extent that eligibility to make a claim will be increased to include firms with a turnover of up to £2m, this may give confidence to those running small businesses who need IP legal advice. The most recent [data published](#) on the Gov.uk website shows that in 2021, 6.1% of small and medium enterprise (SME) employers were led by a majority of people from an ethnic minority (excluding white minorities). The BEIS [small business survey](#) showed that in 2021, 19% of SME¹² employers were led by women (meaning that they were either led by one woman or by a management team of which a majority are women). Women-led SMEs with no employees accounted for 20% of all SMEs with no employees in 2021.

Communication and engagement

30. We shared the consultation with CIPA and CITMA before publication, having already notified the IP Practice Directors' Group that the consultation will be published around mid-November. We emailed all registrants, IP Inclusive, the IP Federation, our small firms contact and the Legal Services Consumer Panel to notify them of the consultation.

31. We will inform CIPA and CITMA of the rule change application on the day it is made. The LSB will publish the application. Whilst that application will include the full actuarial report (the actuary has granted permission for this), we will advise that this is shared on a confidential basis and is not for publication. Upon the LSB's determination of the rule change application we will inform CIPA and CITMA and consequently we will email all registrants to notify them.

¹¹ Please see footnote 10

¹² Those employing 0 – 249 people.

Equality and diversity

32. We have not been able to identify any specific equality and diversity considerations.

Evidence/data and assumptions


33. The evidence and data used in this paper are set out above and in the related [2 November 2023 Board meeting papers](#).

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Annex – Responses to Compensation Arrangements Consultation

Respondent	Feedback	IPReg Proposed Policy Position (where stakeholder has proposed amendment)
<i>Representative bodies</i>		
Chartered Institute of Patent Attorneys	<p>Support the proposals.</p> <p>CIPA understands the rationale for extending the compensation scheme’s eligibility to all businesses with an annual turnover of less than £2 million. We are unable to comment on the extent or number of clients of patent attorney firms who would benefit from this change.</p> <p>Increasing the limit per individual claim from £25,000 to £30,000 seems reasonable given the SRA benchmarking data and IPReg’s assessment of the lower risk profile of patent and trade mark attorney firms.</p> <p>As stated in the consultation document, the proposed changes increase the number of entities eligible to make a claim. We are unable to comment on the likelihood of business falling within the new criteria making a claim under the compensation arrangements.</p> <p>We do not have any data or other evidence about the likely impact of the proposed changes on users of IP legal services. We do not have any data or other evidence about the likely impact of the proposed changes on equality, diversity and inclusivity.</p>	

	<p>Are the new compensation arrangements limited to entities based in the UK? If so, this should be made clear in the rules.</p>	<p>The eligibility to claim from the compensation fund applies to all clients of IPReg attorneys or firms, up to entities with a turnover of £2 million, irrespective of whether they live in the UK and whether or not the IPReg attorney or firm is located in the UK.</p>
<p>Chartered Institute of Trade Mark Attorneys</p>	<p>Support the proposals.</p> <p>It would appear sensible and proportionate to extend eligibility by increasing the financial threshold to entities with a turnover of £2 million. Alongside this, increasing the limit per individual claim from £25,000 to £30,000 also seems appropriate.</p> <p>Whilst we support the proposals, given the extensions to the arrangements, it is more likely that a claim will be made, although we suspect the numbers would still be very low. There is no indication in the consultation as to how much it would cost IPReg in terms of human resource and financial cost to administer and consider any claims. The 2024 budget indicates £10,000 for “Actuarial and Legal Costs in respect of Compensation Fund”, however it would be useful to know what proportion of this, if any, is projected to be for handling and considering claims.</p> <p>It would also be helpful to understand from IPReg if the preferred approach would be to return, at some point, to compensation arrangements whereby an insurance policy is underwritten by an insurance provider rather than a dedicated compensation fund being held by IPReg.</p>	<p>We are not expecting any claims so there is no specific budget provision. The RSA policy eligibility was wider than these proposals so there is no increased likelihood of a claim.</p> <p>As mentioned in the consultation, in 2021, IPReg’s insurance broker was not able to find another insurer willing to provide a similar policy and this continues to be the case.</p>

	We have no specific comments on the draft compensation arrangement rules.	
<i>Firms registered with IPReg</i>		
Patent and trade mark licensed body ■ attorneys in firm (■ patent attorneys, ■ trade mark attorneys, ■ attorneys on both registers)	Supports the proposals. <u>Comments:</u> agree that the proposed changes would improve the level of protection for users of regulated IP legal services. The proposals would also safeguard the good standing and reputation of entities and individuals regulated by IPReg.	N/A
Patent and trade mark registered body ■ attorneys in firm (■ patent attorneys, ■ trade mark attorneys, ■ attorney on both registers)	Supports the proposals. <u>Comments:</u> on the condition that practising fees are not increased as indicated.	N/A
Patent and trade mark registered body (closed response) ■ attorneys in firm (■ patent attorneys, ■ trade mark attorneys, ■ attorneys on both registers)		Noted and understood.
Patent and trade mark registered body, as immediately above (open response) As above, ■ attorneys in firm (■ patent attorneys, ■ trade mark attorneys, ■ attorneys on both registers)	Supports the proposals. <u>Comments:</u> We are broadly in favour of the proposal to extend eligibility as set out. The criterion for eligibility will bring more entities into the scope of the scheme which, in our view, will enhance public confidence in the scheme and regulation of the IP profession as a result. The proposed	

	<p>new eligibility criterion would beneficially improve transparency of the scheme by making eligibility determination more straightforward.</p> <p>Provided the increased limit per claim is affordable within the context of the scheme, which according to the actuarial assessment it appears to be, this seems to us to be a positive move we support.</p> <p>We support this proposed change [removing the ability for IPReg to use the compensation fund to pay its costs]. As set out in the consultation document, this provides greater transparency and viability for the scheme. It also promotes IPReg operating economically if the scheme is utilised in future since its costs for doing so will come from its general funds. In our view, it will promote public confidence in the scheme if it is seen to be solely for the benefit of aggrieved entities.</p> <p>The only hard data we have regarding the impact or the likely impact of the proposed changes on users of IP legal services is that we are not aware of any client or potential client ever having enquired about the availability of a compensation fund or the like. As such, it does not appear to be a factor in determining whether clients engage with the IP legal profession nor influence their choice of service provider.</p> <p>We have two minor comments to make on the draft Compensation Arrangement Rules: a. In clause 6, we would suggest the following amendment at line 2: "IPReg is responsible for managing this the fund".</p>	<p>For purposes of clarity and consistency, agree with making this amendment to Rules.</p>
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	<p>As a matter of drafting, referring to “the Fund” is clearer than “this Fund”, given that the definition in Clause 1 is of “the Fund”.</p> <p>Clause 15 is silent on whether any such decision of IPReg is to be published. We would suggest that any such decision should be published at the discretion of IPReg with relevant personal details redacted if it is believed that it would be beneficial to do so, typically for the IP community or for consumers.</p>	<p>For purposes of accountability and transparency, agree with making this amendment to Rules.</p>
<p>Patent and trade mark registered body</p> <p>█ attorneys in firm (█ patent attorneys, █ trademark attorneys, █ attorneys on both registers)</p>	<p>Supports the proposals.</p>	<p>N/A</p>
<p><i>Attorney in private practice</i></p>		
<p>Patent attorney</p>	<p>Supports the proposals.</p>	<p>N/A</p>
<p>Patent attorney</p>	<p>Supports the proposal to remove the ability for IPReg to claim on fund for costs incurred.</p> <p><u>Comments:</u> agnostic to the proposals to increase eligibility to claim to businesses with an annual turnover of less than £2 million and to increase the claim limit from £25k to £30k.</p>	<p>N/A</p>
<p>Patent attorney</p>	<p><u>Comments:</u> proposes that there is a 1-2 years period whereby the eligibility to claim is extended to businesses with a turnover of less than £1 million, the impact of this is monitored before making further change and increasing to £2 million.</p>	<p>Agree with importance of monitoring and we have committed, in the event of a claim on the fund, to commissioning an actuarial review.</p>

Patent attorney	Supports the proposals.	N/A
Patent and trade mark attorney	Supports the proposals.	N/A
Patent and trade mark attorney	<p>Supports the proposals.</p> <p><u>Comments:</u> the context of the fund never having been used making it no less important is a very good one. A company with a t/o of £2m is not that large, endorse that with inflation it is appropriate to increase it and likewise the limit per claim. If IPReg can afford not to be compensated then having the entire fund available for compensation make perfect sense. Given that it will be a rare occurrence as well.</p>	N/A
Trade mark attorney	Supports the proposals.	N/A
<i>Sole Traders</i>		
Patent attorney	<p>Support the proposals.</p> <p><u>Comments:</u> a lovely idea, fully support.</p>	N/A
Patent attorney	<p><u>Comments:</u> In fact, insurance does cover such events as fraud or failure to account (assuming it is dishonest) but there is the following exclusion in the minimum terms: 6.1.16 any liability whatsoever of the Insured arising from a dishonest or fraudulent act or omission committed or condoned by the Insured except that no such dishonesty, act or omission will be imputed to (a) any other Insured or (b) a body corporate unless: (a) in the case of a company it was committed or condoned by all the directors of that company; or</p>	<p>According to the actuarial report, the overall funding risk cost per attorney is £7. This is considered proportionate.</p> <p>It is considered consistent and transparent that clients (including businesses of turnover less than £2 million) of all firms and attorneys regulated by IPReg are eligible to claim compensation from the fund.</p>

	<p>(b) in the case of Limited Liability Partnership it was committed or condoned by all members of that Limited Liability Partnership.</p> <p>Clearly, in the case of small firms or individual practices, there is the possibility that fraud will not be covered and that potentially in these cases clients might have no recourse to recover their money, except by calling on IPReg's compensation fund. But, in larger firms, while fraud clearly may be perpetrated, it is unlikely that all the directors/members will be party to the fraud and therefore compensation payable by the firm is covered by insurance. Even where it is the case that all directors are aware of the fraud and no insurance exists, in larger firms it is unlikely that there would need to be a call on IPReg's compensation fund because it is unlikely that the firm could not itself pay compensation at the level IPReg proposes (i.e. £30,000). There would have to be multiple claims before any sizeable firm was troubled and, in that case, IPReg's fund would be inadequate in any event. It therefore seems to me that it is not fair on larger firms, who already pay substantial registration fees, not just for their entity, but also for each of their registered practitioners, to contribute significantly to such compensation fund. Nor is it fair for practitioners in industrial practice to fund the fund. The lion's share of the fund should be contributed by individual and small practices although, for the sake of the reputation of the profession, some contribution can and should be made by all practitioners. Furthermore, I think the funding of the fund should be transparent and not just come out of general practicing fees. Instead, it should be a visible</p>	<p>The actuary's report included options such as a no claims discount at firm level; allowing firms to pay more for higher limits; lower contributions if no client money is held by the firm; requiring run-off contributions if a firm ceases to trade. Though given that the proposed (and current) model is considered sufficient to meet claims (except in a worse case scenario) are low cost to administer, the actuary does not consider such changes to the funding model would be proportionate. These options were highlighted in the 2 November 2023 paper to the IPReg Board. The Board agreed with the actuarial advice that these options were not proportionate and would have incurred costs such as changes to our Customer Relationship Model and significantly increased the complexity of administering the fund.</p>
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	<p>levy applied on practicing fees with a bias towards those in individual and small practices.</p> <p>Given the lack of any claims over the past ten years, whilst the fund is presently funded by general monies, the fund should be rebalanced over time by the contributions from levies and returns to general funds, and rebated to larger firms. Whether the fund should grow over time is another matter.</p> <p>Otherwise I think the proposed changes are perfectly acceptable.</p>	
Trade mark attorney	<p>Supports the proposals.</p> <p><u>Comments:</u> I agree with the proposal and, in my previous firm, we had a number of SMEs and start-ups as clients with a turnover of < £2M (approx. 5%). The turnover figure is more relevant than the number of employees which would depend on the sector involved and whether services or products are being provided/supplied.</p> <p>I agree with the proposal [claim limit increase from £25k to £30k] for the reasons outlined in the consultation paper.</p> <p>I believe that these costs [for running and administering the fund] can be met by IPReg and that there would not be any impact on the ability of IPReg to meet its obligations under the Fund. Also, member firms are likely to provide pro bono legal advice to IPReg, if required.</p>	N/A

Board Meeting 18 January 2024

Governance and Transparency

Agenda Item: 8

Author: Fran Gillon, CEO (fran.gillon@ipreg.org.uk)

This paper is for discussion.

Annex A will be published with this Board paper.

Annex B – will be published on the website when finalised.

Summary

1. This paper updates the Board on progress in implementing the steps agreed in the Governance Action Plan. **Annex A** shows progress made to 11 January 2024. Work undertaken by the Risk Working Group is being provided as separate agenda items at Board meetings.
2. The main item of work that was outstanding was the work on our EDI policies. A new EDI policy and strategy together with an action plan is at **Annex B**; this also sets out the statutory and regulatory requirements on IPReg.
3. The policy and strategy document is deliberately short and focused. This reflects the fact that we believe that improvements in EDI can only be brought about by actions. Our role in championing EDI means much more than writing an EDI policy and strategy (although this sets the basis for the actions that we take). The focus going forward should therefore be on the actions that we take.

Recommendation(s)

4. The Board:
 - a. Notes progress implementing the Action Plan;
 - b. Discusses the proposed EDI policy and strategy statement and the action plan at Annex B;
 - c. Discusses what further work (if any) it would like the Governance and Transparency Working Group to conduct.

Risks and mitigations

	Risk	Mitigation
Financial	There is an ongoing cost for the external minute-taker.	

Reputational	Boards which make decisions ineffectively, or in ways that lack transparency, expose their organisations to reputational risk.	This work should assist IPReg with assurance that it is not exposing itself to such risks.
Resources	The main resource currently being expended on it is the CEO's time.	The need for external support may be sought if required.

Background

- At its July 2022 meeting, the Board adopted a Governance and Transparency Action Plan in response to the LSB's performance management framework assessment. This was published with the July 2022 Board papers.

Discussion

Progress against the Action Plan

- The first two elements of the Action Plan (covering the first 12 months) are largely complete in terms of immediate actions. Board member appraisals are being arranged.

Next steps

- The Executive Team will take forward the work on EDI.

Supporting information

Links to strategy and business plan

- The changes to our approach to governance will support delivery of IPReg's strategic and business plans.

Supporting the regulatory objectives and best regulatory practice

- Good governance enables the Board to discharge its objectives effectively and transparently. Therefore any improvements to IPReg's governance should support the Board's ability to deliver the regulatory objectives in a manner which is open, transparent and accountable.
- The EDI documents at Annex B support the regulatory objectives of: encouraging an independent, strong, diverse and effective legal profession; and protecting and promoting the interests of consumers.

Impacts

- Adopting the strategy and policy and the action plan in particular may, over time, have a positive impact on some registrants and consumers.

Communication and engagement

12. We keep the LSB updated on progress at our regular relationship management meetings.

Equality and diversity

13. The proposed strategy and policy and the action plan are focused on EDI issues.

Evidence/data and assumptions

14. Nothing specific to this paper.

Governance action plan

Priority 3 – complete by mid-January 2024

1. Produce an annual Work Plan/Business Plan, setting out IPReg’s objectives and performance indicators for the year and introduce quarterly reports on this at Board Meetings.

Rationale: These actions are intended to enhance strategic planning and performance monitoring. These initiatives will enable the Board to improve its strategic plan and augment its scrutiny of organisational performance. It will also support the Board in holding the executive to account. This action should support the delivery of LSB Well Led 1

Suggested approaches: It is suggested that this work is timetabled to align with the current strategic planning cycle. So, the timeline for this needs to take account of the LSB publication of its decision on the regulatory performance framework Standards and Characteristics in Autumn 2022. Substantive thinking would need to take place in November 2022 when IPReg Board considers its strategic objectives in the light of this. Then in July 2023 we would consult on 2024/25 business plan taking account of these discussions. It is important that these plans incorporate Key Performance Indicators which enable the Board to monitor and scrutinise performance. In setting these will be a need to take account of whether the LSB dispenses with the requirement for the performance management database. Such reviews should be underpinned by a reflective approach, with the Board learning from past actions and achievements. Ongoing horizon scanning should be built into this strategic planning process.

Action taken

Date	Action taken
July 2023	Consultation on 2024 business plan, budget and practising fees.
Next step	Consideration of responses at September 2023 Board meeting. This will enable us to finalise the business plan. Board papers include a section on how the work meets the strategic objectives and the business plan. Development of performance indicators will develop from consideration of risk by the Risk Working Group; the first meeting of this Group has been arranged for 1 September. In the meantime we will continue to monitor the matters included in the Performance Management Dataset.
December 2023	LSB approved 2024 practising fee application. Business plan finalised following consultation.
December 2023	Action closed

2. Put in place a process of independent triennial external Board evaluation and set out procedures for this in writing in the Governance Handbook.

Rationale: This action is intended to support and develop the Board. External evaluation will help the Board pinpoint good practice and identify areas for improvement. As an ongoing process, it will help the Board to maintain its effectiveness and hone its ability to hold the executive to account.

Suggested approaches: It is suggested that independent external Board evaluation takes place every three years, supported by internal annual Board evaluation annually in-between. The process for the latter can be developed in partnership with external evaluators. These evaluations should help ascertain the effectiveness of the Board’s meetings, decision-making and ability to hold the executive to account, on an ongoing basis. It is suggested that such evaluations include a reflection on, and review of, the quality and timeliness of the information provided to the Board by the executive. Board events without the executive present for the purpose of reflecting on the Board’s own effectiveness and/or support systems may form part of this process.

It is also suggested that IPReg produces an action plan setting out any developments agreed as a result of these Evaluations. This may be reported on in the Annual Report. There are budget implications for this area.

Action taken

Date	Action taken
August 2023	Process for external evaluation has been included in the Governance Handbook.
Next step	<u>Arrange external Board evaluation in 2024</u>

3. Set out IPReg’s policy for the recruitment and reappointment of Board members in writing in the Governance Handbook.

Rationale: This action is intended to enhance organisational transparency. It should support the delivery of LSB Well Led 3.

Suggested approaches: It is suggested that this work is undertaken in parallel with the production of the Governance handbook.

Action taken

Date	Action taken
August 2023	Policy for recruitment and reappointment of Board members including the Chair has been agreed and is set out in the final Governance Handbook.
December 2023	Action closed

4. Produce a separate written procedure for Handling Complaints or Concerns about Members of the Board.

Rationale: This action is intended to enhance organisational transparency. It should support the delivery of LSB Well Led 3.

Suggested approaches: It is suggested that this work is undertaken in parallel with the production of the Governance handbook.

Action taken

Date	Action taken
December 2023	Draft procedure to be considered at Board meeting on 7 December
Next step	CEO to finalise and publish on website¹

5. Consolidate all governance policies and procedures into a single Governance Handbook and publish this on the website.

Rationale: This action is intended to enhance organisational transparency. A Governance Handbook will help ensure IPReg governance policies and procedures are clear and transparent for all stakeholders. This action should support the delivery of LSB Well Led 3.

Suggested approaches: It is recommended that all governance documents are collated in a single Governance Handbook, published on the website. It is suggested that that this should include: the Delegation Agreement, Board Rules of Procedure, Sub-Committee and Working Group Terms of Reference, and Codes of Conduct. It is suggested that the handbook (i.e., governance policies and procedures) is reviewed every three years. This could be aligned with triennial Board evaluation. It is suggested that this work begins as early as is feasible. It is currently proposed that this is completed within 18 months, as by that point any policies being reviewed will have been completed. That said it may be beneficial to bring this forward and complete it within 6 to 12 months. However, if this is considered desirable, it is suggested that external resource is brought into support that timeline. This work should be undefined [*underlined?*] by regular audit to ensure all relevant policies are publicly available in writing.

¹ [This was omitted in error from the Board paper and was added on 19 January 2024 with the Board's agreement](#)

Action taken

Date	Action taken
August 2023	The Governance Handbook is attached at Annex XX. This will be published on the IPReg website. It will include information about (and a link to) the Delegation Agreements which are already published on the website. As the Delegation Agreements cannot be amended by IPReg alone (unlike all the other matters in the Handbook) they have been excluded from it. The Information Sharing Protocol has not previously been published but we will now do so.
Next steps	Publication of Handbook (without the procurement policy) Update procurement policy and refer back to Board

6. Develop a written stakeholder engagement strategy setting out how stakeholders' views are obtained and considered by IPReg.

Rationale: This action is intended to enhance organisational transparency. It will provide clarity concerning how we obtain stakeholders' views and utilise these within our decision-making. This action should support the delivery of LSB Well Led 3.

Suggested approaches: It is suggested that this considers stakeholders in the broadest sense, is robust in building in public and consumer engagement and also takes account of learning from the above considerations of the use of external expertise.

Action taken

Date	Action taken
December 2023	Draft strategy to be considered at 7 December Board meeting
Next step	CEO to finalise²

7. Review arrangements for action plans, performance indicators and published policies concerning Equality, Diversity and Inclusion (EDI).

² [This was omitted in error from the Board paper and was added on 19 January 2024 with the Board's agreement](#)

Rationale: This action is intended to enhance organisational transparency and improve planning and performance monitoring. This action should support the delivery of LSB Well Led 3.

Suggested approaches: It is suggested that this considers arrangements for publishing Equality, Diversity, and Inclusion (EDI) policies, and develops EDI action plans with clearer milestones to facilitate an easier assessment of progress. There should be clear performance indicators to measure progress against the Diversity Action plan.

Action taken

Date	Action taken
Next step	<u>Consideration of EDI policy at January 2024 Board meeting</u>

Board Meeting 18 January 2024

Complaints Update

Agenda Item: 9

Author: Shelley Edwards, Head of Registration (shelley.edwards@ipreg.org.uk 020 7632 7175)

This paper is to note

Summary

1. This paper stands as an update on complaints received and processed by IPReg. From 1 July 2023, the complaints process is governed by Chapter 4 of the [Core Regulatory Framework](#) and the Investigation and Disciplinary Requirements [Standard Operating Procedure](#).

Recommendation(s)

2. The Board agrees to note this paper.

Risks and mitigations

	Risk	Mitigation
Financial	We have allocated a budget of £35,000 for costs associated with processing complaints and conducting disciplinary hearings. There is a risk that an unanticipated increase in cases will cause us to exceed the budgeted figure	It is IPReg's policy to seek the external costs incurred in bringing disciplinary cases before a tribunal from the respondent, and recover any debt as appropriate.
Reputational	There may be a risk to IPReg's reputation if it were considered that IPReg was not conducting its investigation and enforcement process appropriately - pursuing cases with no evidential basis, not taking enforcement action where there is a clear breach of regulatory arrangements, poor decision-making at hearings etc.	IPReg has developed, in conjunction with legal advisers, a comprehensive decision-making policy to underpin its new enforcement and disciplinary procedures which form part of the regulatory arrangements review. A new Joint Disciplinary Panel has recently been appointed following a comprehensive recruitment campaign, and all new members have received training and induction.

Resources	IPReg manages the initial triage and investigation of cases internally, between the Assurance Officer and Head of Registration. There is a risk that a significant increase in cases will outstrip the internal capacity of the team	Analysis of complaints data over the last 6 years shows that whilst the number of complaints received seems to be increasing, IPReg has become more efficient at resolving these cases, resulting in cases being closed more quickly and the number of open cases in any given month holding steady or reducing
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Background

3. The Board has routinely been updated on Complaints information, including the number of new complaints received and closed per month with a focus on the nature of individual complaints and the anticipated timetable for resolving them. The Board has not, to date, received information about the subject of the complaint due to IPReg’s former disciplinary process which may have resulted in Board members sitting as decision makers on the Complaint Review Committee.
4. The Board has indicated it would find different information helpful, focussing less on the individual complaint and more on general trends and timeliness.

Discussion

5. The Board should note the information in this paper.

Next steps

6. The Board should note the information in this paper.

Supporting information

Links to strategy and business plan

7. The investigation and enforcement of complaints made about regulated persons is an integral part of IPReg’s remit.

Supporting the regulatory objectives and best regulatory practice

8. A robust investigation and enforcement process protects and promotes the public interest by demonstrating that regulated persons who breach any of IPReg’s regulatory arrangements are appropriately investigated and taken through a fair and transparent disciplinary process. IPReg’s process supports the constitutional principle of the rule of law in that justice must be done and be seen to be done in accordance with the principles of natural justice. Publishing decisions about disciplinary matters, protects and promotes the interests of consumers, promotes competition within the regulated community and increases public understanding of their legal rights by allowing consumers to make fully informed choices about their legal representatives. A clear, transparent and proportionate enforcement policy encourages an

independent, strong, diverse and effective legal profession by creating a deterrent to poor practice or professional misconduct.

9. IPReg follows best regulatory practice in the identification, investigation and processing of complaints and disciplinary hearings. Internal decision makers have backgrounds in regulation and professional discipline, and one is a practising solicitor. Members of the [Disciplinary and Interim Orders Tribunal](#) receive regular training on best practice in decision making, and are supported by legal advisers with a regulatory and professional discipline specialism. Best regulatory practice is therefore at the forefront of all decisions across all aspects of investigation and the running of disciplinary hearings.

Impacts

10. There are no specific impacts on any type of regulated person, consumer or group.

Communication and engagement

11. Disciplinary decisions are published on IPReg’s website [here](#) and, where applicable, against the name of the attorney or firm on the [online register](#).

Equality and diversity

12. There are no specific equality and diversity issues.

Evidence/data and assumptions

Cases by numbers

As at 11.01.24

- Total open cases 7
- Cases opened since last meeting 2
- Cases closed since last meeting 1
- Change (from last meeting) +1

Year to date (from 1 January 2024)

- Total cases received 0
- Total cases closed 1

Legal Ombudsman

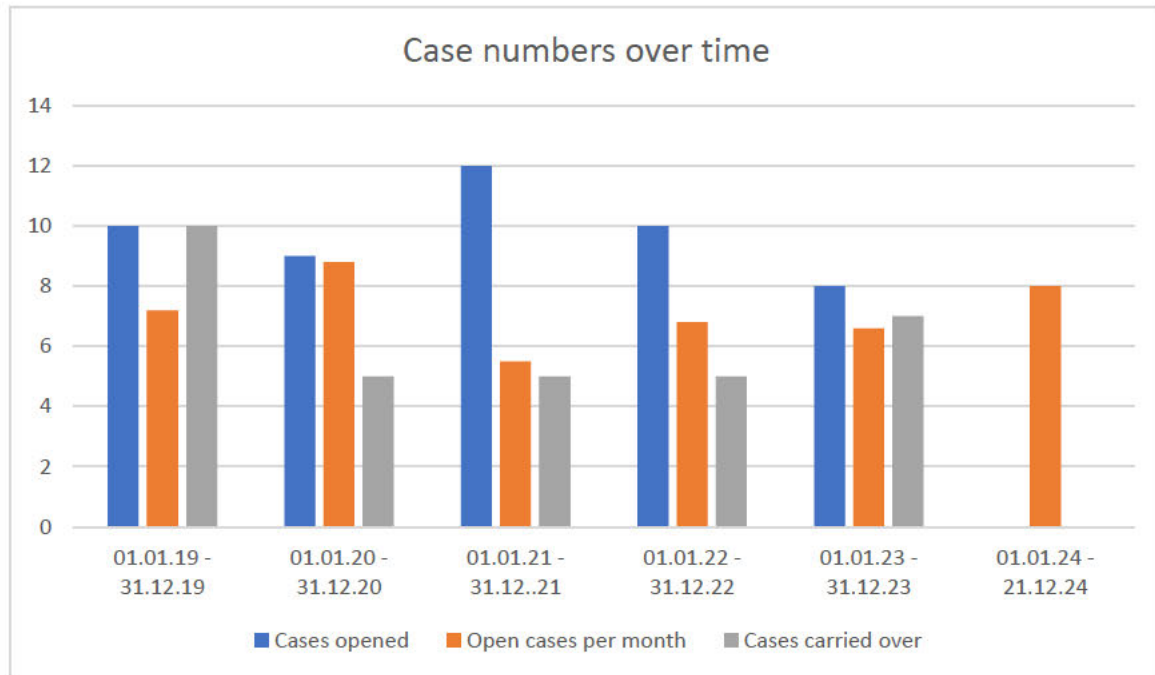
- Complaints received in last month 0
- Cases open 0

Timeliness

- Oldest open case 167 weeks (3y 11w)

Newest open case 9 weeks
 Mean 44 weeks
 Median 23 weeks

Analysis and trends (12 month periods)

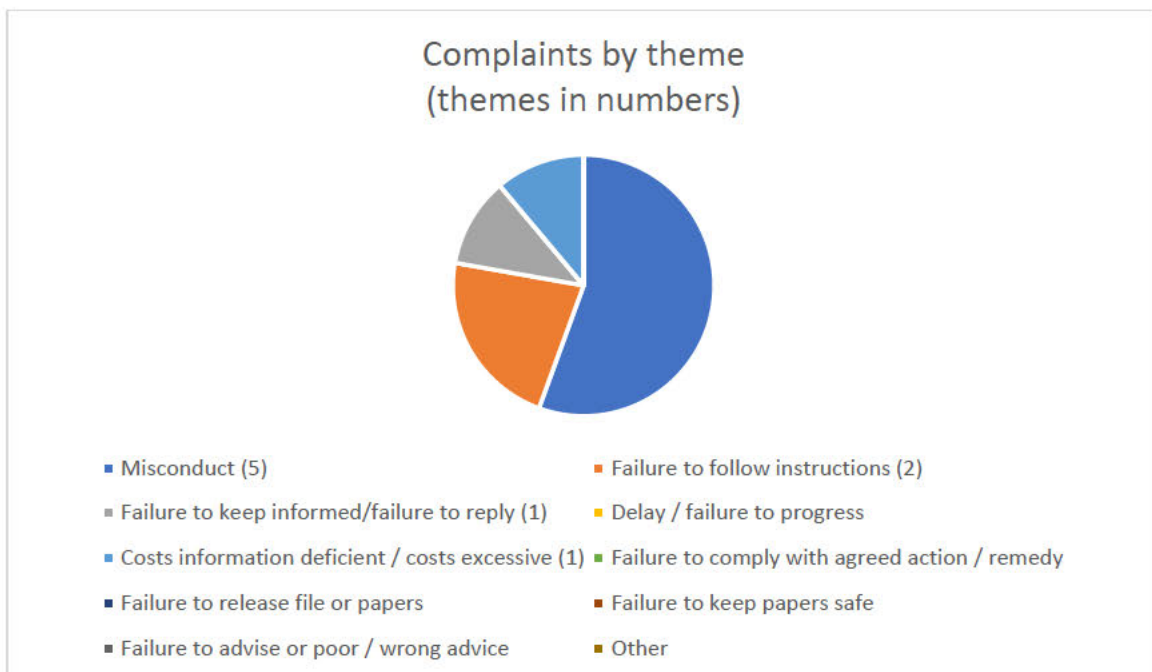


	01.01.19 – 31.12.19 (4 cases carried over from previous period)	01.01.20 – 31.12.20	01.01.21 – 31.12.21	01.01.22 – 31.12.22	01.01.23 – 31.12.23	01.01.24 – 31.12.24
New cases opened / received	10	9	12	10	11	0
Total open cases during period	14	19	17	16	17	8

Overall case numbers open per month (range)	5 - 9	5 - 12	3 - 8	6 - 9	5 - 9	7 - 8
Overall case numbers open per month (avg)	7.2	8.8	5.5	6.8	6.3	7.5
Cases carried over to next period	10	5	5	5	8	
Cases closed/resolved within 12 weeks*	10%	44%	50%	50%	60%	100%
Cases closed/resolved within 26 weeks*	50%	50%	58%	60%	70%	100%

*Of cases closed this calendar year

Open complaints by theme



Misconduct includes:

- Misappropriation / mismanagement of funds (3 cases)
- Unprofessional / inappropriate conduct with a third party (2 cases)
- Providing false / misleading information to IPReg (1 case)

Board Meeting 18 January 2024

CEO report

Agenda Item: 10

Author: Fran Gillon, CEO (fran.gillon@ipreg.org.uk)

This paper is for discussion.

The following Annexes will not be published: Annex A (draft document) and Annex C (advice to Board)

Summary

1. This paper sets out the main issues to bring to the Board's attention that are not subject of a full Board paper.

Recommendation(s)

2. The Board is asked to:
 - a. Note this paper;
 - b. Reviews the draft response to the LSB's consultation on increasing the levy by 13.9% to finance its 2024/25 business plan (see paragraph 7) and delegates finalising the response to the Chair and CEO;
 - c. Consider what additional activities we might want to consider in relation to the prevention and detection of economic crime (see paragraphs 10-12).

Risks and mitigations

	Risk	Mitigation
Financial	No specific financial risks	N/A
████	████████████████████	████
Reputational	No specific reputational risks.	N/A
Resources	No specific resourcing risks	N/A

Background

3. This report sets out information about IPReg's activities that are not covered elsewhere in today's agenda.

2024 practising fees

4. An oral update will be provided at the meeting.

Meetings

CIPA and CITMA

5. The 3 CEOs have not met since the December Board meeting.

LSB engagement

6. At the relationship management meeting on 13 December we discussed:
 - a. Regulatory performance framework
 - b. IPReg Compensation fund consultation
 - c. Economic Crime Regulatory Objective
 - d. LSB Project Updates
 - e. IPReg Board updates
 - f. Interaction between AI and PII.
7. The LSB has published its consultation on its 2024/25 business plan and budget. The consultation closes on 12 February. A draft response for the Board to review is at **Annex A**.

Conferences/webinars attended by Team and Board members

8. None to report.

Regulatory Performance

9. We sent our response to the LSB on 11 December (**Annex B**). The LSB's final decision is due in January.

New regulatory objective

10. As reported to the December 2023 Board meeting, the Economic Crime and Corporate Transparency Act 2023 (ECCTA) s209 will introduce a 9th regulatory objective. When it is commenced, we must, so far as reasonably practicable, act in a way that is compatible with the new regulatory objective and which we consider most appropriate for the purpose of promoting the prevention and detection of economic crime. The LSB wants to "establish shared principles and expectations for delivering against the new objective" and wants to know "some of the key actions you consider your organisation will need to take over the coming months in order to reflect the clarified responsibility in relation to economic crime, and to use that as a basis for collective discussion in the New Year".
11. "Economic crime" means an act which Constitutes an offence listed in [Schedule 11](#) of the ECCTA ("a listed offence"). These offences are very broad. Examples include common law offences such as cheating the public revenue and conspiracy to defraud. They also include statutory offences under a number of different statutes: theft, false accounting, false statements by company directors, obtaining services dishonestly, bribing another person, fraudulent evasion of VAT.

12. As reported to the December 2023 Board meeting, the LSB has asked regulators to provide (by January 18) it with “some of the key actions you consider your organisation will need to take over the coming months in order to reflect the clarified responsibility in relation to economic crime, and to use that as a basis for collective discussion in the New Year”. I have asked David Bish to consider this (in the context of IPReg-regulated firms not being subject to the economic crime levy because IPReg is not a professional body supervisor). Initial thoughts on possible actions are:
- a. Reviewing Counsel’s advice and IPReg's [Guidance](#) on the anti-money laundering (AML) regulations and updating if necessary (although economic crime is wider than this);
 - b. Discussion with PAMIA at our scheduled meeting on 1 February whether there are specific risk indicators on economic crime that they use;
 - c. Survey of firms on how frequently they encounter “red flags” such as those identified by the Financial Action Task Force (FATF) [guidance](#) and the SRA’s [sectoral risk assessment](#) on which found the highest risk services to be: conveyancing physical property, client accounts being used as a banking facility, creating or managing trusts and companies, tax advice and family offices;
 - d. Undertaking an IP sectoral risk assessment – this could go wider than economic crime matters and would need external expertise/input;
 - e. Survey of firms on approach to compliance with statutory obligations under (for example) the Proceeds of Crime Act 2002 to report suspicious activity and AML regulations;
 - f. Depending on the outcome of these activities, a webinar on the prevention and detection of economic crime, led by an external expert.

Sanctions

13. Successful completion of the analysis of the data from Clarivate was reported to the December Board meeting. We are able to confirm that our regulated entities have acted appropriately and in accordance with the Government’s requirements in relation to sanctioned individuals and our own regulatory arrangements. No further specific actions have been identified.

STEM Returners

14. We had a fascinating discussion with Natalie Desty, the Managing Director of [STEM Returners](#). STEM Returners focuses exclusively on helping people with STEM degrees who have taken a career break to return to work in their area of expertise. Their website states:

We want to implement radical change to aid diversity and inclusion within the STEM sectors. Operating within an incredibly skills short market, the programme allows employers to attract candidates from a new talent pool, and give candidates a supported route back to their career. Providing employers with talented professionals and helping them to view CV gaps in a different way.

15. STEM Returners publishes an [annual index](#) which looks at barriers in the recruitment process and tracks progress over time. STEM Returners is also looking for [mentors](#) to support people who return to work under their scheme. Although STEM Returners' focus is not exclusively on the IP sector, one of its partner organisations is the IPO which has recently run a successful [workplace returners programme](#).
16. I have put STEM Returners in touch with CIPA, IP Inclusive and the IP Federation. All these may be well placed to identify people who would be interested in supporting its work, particularly those who could mentor a returner. There may also be some interesting overlaps between IP Inclusive's work and the issues that STEM Returners has identified in recruitment processes and its proven successes in changing those processes to increase the diversity of successful applicants.

Waivers

17. PII Sandbox – no applications have been received.
18. From 1 July to 31 December 2023, there were 14 CPD waiver requests granted. Of these, 7 were because of the full practice year was missed due to maternity leave and 7 were due to the attorney not being in active practice for the full practice year (explanations were career break, illness and redundancy). Going forward, we will report CPD waivers every six months (July and January).
19. There have been no hardship waiver requests so far during the fee collection process.

Horizon scanning and research

20. The External Market Update report is at **Annex C**. We will incorporate into our work the recommendations made in that report about matters that we might want to consider in relation to the recent [academic paper](#) published by the LSB on the role of lawyers in relation to the rule of law. The paper notes that:

“Various and differing political and theoretical claims are made on what the rule of law ‘really’ means. There is general agreement, however, that at the very least the rule of law means that laws should be made in ways prescribed by the relevant legal system, that no one should be above the law, and that everyone should have equal access to the law’s protection. In this way, the rule of law offers a collective sense of trust and confidence in society.”

It is helpful that the paper states that Lord Bingham's "8 elements" give a 'good sense' of what might be included in the rule of law. The authors consider that:

"this is sufficient and that it is not necessary for the LSB to put any further stall in further proffering one or another preferred version or definition; not least because the government chose to also not proffer a definition in either the Legal Services Act or the Constitutional Reform Act 2005".

The 8 elements are:

- a. The law must be accessible and so far as possible intelligible, clear and predictable;
- b. Questions of legal right and liability should ordinarily be resolved by application of the law and not the exercise of discretion;
- c. The laws of the land should apply equally to all, save to the extent that objective differences justify differentiation;
- d. Ministers and public officers at all levels must exercise the powers conferred on them in good faith, fairly, for the purpose for which the powers were conferred, without exceeding the limits of such powers and not unreasonably;
- e. The law must afford adequate protection of fundamental human rights;
- f. Means must be provided for resolving, without prohibitive cost or inordinate delay, bona fide civil disputes which the parties themselves are unable to resolve;
- g. The adjudicative procedures provided by the state should be fair;
- h. The rule of law requires compliance by the state with its obligations in international law as in national law.

21. Further consideration of what the rule of law means is found on [UCL's Constitution Unit's](#) website. This notes:

"There is no one universally agreed definition of the rule of law, but its core concepts include legality, legal certainty, equality before the law, protection for fundamental rights, judicial independence and access to justice."

Contracts (commercially confidential information about contracts will be redacted)

22. We are expecting a contract from Sayer Vincent for support for our work on risk management. An oral update will be provided.

Other matters

IPReg Finance Report

23. No report this meeting.

Legal Services Consumer Panel (LSCP)

24. N/A for this meeting.

Justice Select Committee – Regulation of the legal profession

25. The CLC has made [two written submissions](#) to the Committee. There is no further information about the outcome of the two evidence sessions in December.

Press reports and other published information

26. The SRA has published its latest [LawTech insight](#).

27. The Supreme Court has [ruled](#) that AI cannot be named as a patent “inventor”.

28. In2Sceince has published its summer programme impact report – see **Annex D**.

11 December 2023

Richard Orpin
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Legal Services Board

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*By email only – Richard Orpin,
cc Angela Latta, David Fowlis,
Vibeke Bjornfors*

Dear Richard

IPReg Regulatory Performance Assessment - LSB Draft Narrative Assessment

Thank you for the LSB's draft assessment of IPReg's performance under the LSB's new regulatory performance framework. We welcome the opportunity to comment on it. The IPReg Board considered the LSB's assessment at its meeting on 7 December and very much welcomed the LSB's recognition of the progress that we have made, the successful implementation of our ambitious work programme and recognition of examples of good practice in our work.

We welcome the fact that the LSB agrees with the IPReg Board's judgement that we have provided partial assurance that we meet the "effective approach to regulation" standard. This letter therefore focuses on the LSB's assessment of our progress on the "well led" standard where the LSB's view differs from the IPReg's Board's judgement.

Our starting point for coming to the view that IPReg should be considered to have provided full assurance that it meets the well led standard is based on two factors. The first factor is that the assessment period was October 2022 to March 2023 (i.e. six months). The Board therefore considered the progress that had been made during those six months. The second factor is that, in the IPReg Board's judgement, being well led means, amongst other things, that we are never satisfied with the progress we have made and are always striving to improve. This means that it is possible for IPReg to be rated as giving full assurance on a standard even though there is still work to do.

It might be helpful to recap on the progress we made on the well led standard during the six months covered by the LSB's information request. During that period, amongst other things we:

- Undertook a governance review and introduced an updated suite of governance documents;
- Submitted a successful rule change application to the LSB relating to comprehensive review of our regulatory arrangements, including an extensive evidence base, full impact

assessment and consideration of the impact of the proposed changes on all the regulatory objectives;

- Secured the services of a professional agency to take Board meeting minutes to free up IPReg staff resources and provide a full, detailed, independent account of Board decisions.

We also developed plans for beyond the end date of the information request to build on our progress on delivering our business plan by:

- Considering the impact of our new regulatory arrangements through targeted thematic reviews in 2024/25;
- Proactively assessing ourselves against the characteristics in Standard 3 (Operational Delivery) in advance of any request from the LSB;
- Comprehensively reviewing our approach to risk including obtaining external support and advice for this work.

It would therefore be very helpful to understand in more detail the rationale for the LSB's view that it takes only partial assurance that IPReg met the well led standard for the six-month period covered by the information request. The LSB's assessment refers to completion of the governance Action Plan having an influence on whether it can be fully assured that IPReg is well led. However, the Action Plan is not due for completion until January 2024 – well outside the time period covered by the information request. In addition, one aspect of the plan (our work on EDI) is covered by the characteristics underpinning Standard 2 (effective approach to regulation) not Standard 1.

We hope you will agree from the information set out above and in our original submission that you can take full assurance that IPReg is “well-led with the resources and capability required to work for the public and to meet the regulatory objectives effectively”.

Regarding the wording of the draft narrative assessment, we have a small number of suggestions that relate to drafting/factual accuracy:

- If the LSB still considers that it only has partial assurance that IPReg meets Standard 1, we suggest that the first sentence of its assessment should be re-drafted from “IPReg has provided us with partial assurance” to “We have partial assurance that IPReg meets...”. This is because otherwise it could be read as though we had suggested/provided that rating;
- References to “this year's assessment” are not consistent with the information request which was for a six month period;
- Our innovative PII Sandbox should be added to the section on good practice.

Finally, we note that the LSB's assessment states “IPReg has continued to build on the progress that we identified last year which might enable it to provide sufficient assurance against all three standards by the time of our next assessment”. This indicates that the next assessment will cover all three standards and it would be helpful if the LSB could confirm this (and the expected timing) to help our planning cycle.

I would be very happy to answer any queries you have about this response and provide any further information that you need.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Fran Gillon', with a horizontal line underneath.

Fran Gillon

Chief Executive



**Promoting Social Mobility
and Diversity in STEM**

Foreword



In2scienceUK's mission is to increase diversity and inclusion in science, technology, engineering and maths (STEM). Young people from low socio-economic backgrounds continue to face a range of barriers in pursuing an interest in STEM, and this is even more challenging in the context of a cost of living crisis which continues to disproportionately affect those we strive to support.

With salaries in STEM paying higher on average compared to other sectors, we aim to narrow the access gap, helping students to achieve their full potential and progress into better-paid jobs and economic stability, regardless of their background.

In 2023 we have taken huge leaps forward in supporting more students than ever before. Alongside supporting the highest number of students ever on the In2science summer programme, we are pleased to have successfully trialled an online programme offering students access to cutting edge research in STEM, no matter where they live.

We have seen and heard many success stories this year for students who have flourished through their summer placements, eagerly engaged in research, and developed a range of life and STEM-specific skills, insights and experience. I encourage readers to explore this report and see for yourself what our students and volunteers have to say about their experience of the programme this summer.

I would like to say a huge thank you to our dedicated staff, volunteers and partners, without whom we would not be able to achieve our mission and continually grow our positive impact for future generations of young people, year on year. As we move into 2024, we are looking forward to building on this year's successes, expanding the programme to support and inspire more young people on their journeys into STEM careers and research.

Anishta Shegobin,
Head of Programmes



Our Vision

Young people from low socio-economic backgrounds face significant and overlapping barriers to progressing into STEM, and these individuals continue to be under-represented across STEM education, training and employment.

Yet, alongside these barriers to access STEM opportunities, the UK faces a significant STEM skills shortage, with demand rapidly increasing¹, to drive forward crucial innovation, economic growth and

address the growing global challenges that we face. We believe that by supporting young people to gain exposure to STEM environments and passionate role models through the In2science summer programme, we can empower young people with the skills, knowledge and confidence to make more informed decisions about further education and careers in STEM. Closing the access gap for our young people will help progress towards a future where we:

- 1** Address the social mobility gap and create an equitable future for our young people.
- 2** Increase pipeline of STEM professionals and address growing skills shortage gap.
- 3** Build a more diverse and inclusive workforce to drive innovation and economic growth in the UK.
- 4** Support growth of STEM literacy to tackle existing and emerging global challenges.

Only 6% of doctors, **9%** of life science professionals and **19%** of IT professionals were from low-socio-economic backgrounds in 2022. Compared to 29% of those from low socio-economic backgrounds across the UK workforce²



280% increase in STEM sector vacancies in a decade - 44,000 to 125,000⁴



150,000 additional researchers and technicians required by 2030 to sustain UK targets⁵

STEM graduates earn **20%** more and have lower unemployment rates³



£1.5 billion the additional cost to the STEM sector to address the STEM skills gap¹



1. The Sutton Trust (2022) Bridging the Gap, - What we can learn about social mobility from Engineering 'Bridging the Gap' - [what can we learn about social mobility from engineering? - Sutton Trust](https://www.suttontrust.com/research/bridging-the-gap-what-we-can-learn-about-social-mobility-from-engineering/)

2. James Howell (2016) graduatejobs.com, STEM graduates take top salaries, <https://www.graduate-jobs.com/news/13556/STEM-graduates-take-the-top-salaries>

3. Office for National Statistics (2023), VACS02: Vacancies by industry, [VACS02: Vacancies by Industry - Office for National Statistics \(ons.gov.uk\)](https://www.ons.gov.uk/economy/employment-and-labour/vacs02)

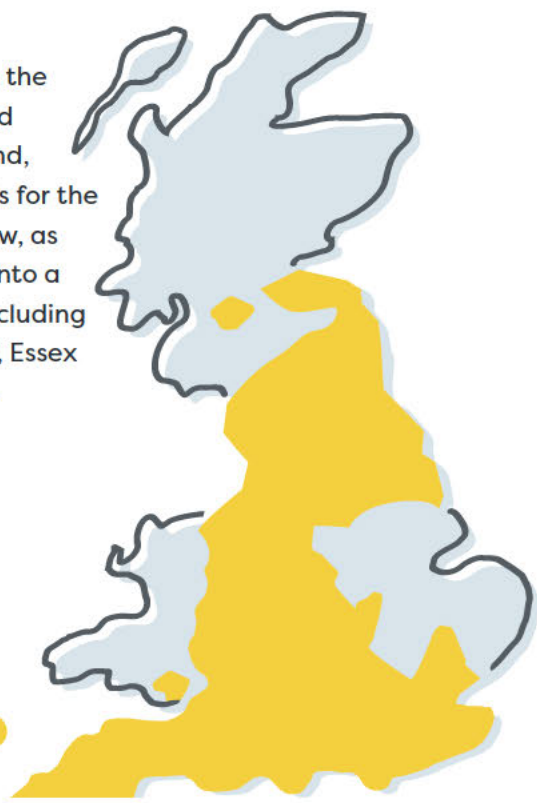
4. Department for Business, Energy & Industrial Strategy (2022) Diversity in STEM Inquiry, Written evidence submitted by the Department for Business, Energy and Industrial Strategy (DIV0047), <https://committees.parliament.uk/writtenevidence/42514/pdf/>

5. Institution of Mechanical Engineers (2018) STEM skills gap costs the UK £1.5bn a year, <https://www.imeche.org/news/news-article/stem-skills-gap-costs-the-uk-1.5bn-a-year>

Programme Overview

The In2science summer programme provides current year 12 and S5/S6 students from low socio-economic backgrounds the opportunity to gain real-world work experience at the cutting edge of research and innovation. We support students to develop the skills, knowledge and confidence they need to progress in their STEM journey, through a range of skills, university and employability workshops.

Regionally, we saw the programme expand further into Scotland, hosting placements for the first time in Glasgow, as well as expansion into a range of regions including Newcastle, Salford, Essex and Southampton.



3659 student applications, 69% higher than in 2022, showing the continued increasing demand for the support of the programme.



809 young people participated, with 788 in-person work experience placements delivered, a significant increase of 33%, up from 594 placements in 2022.



“

I have never learned as much about STEM careers and research as I have on this programme. I have enjoyed every aspect of the programme, from the workshops that have helped me understand how to improve my personal statement, and the unusual careers that no one has really heard of, to the placement that has given me first-hand experience of what it is like to work in research.

I have improved in the lab and with data analysis, and I could not have asked for anything more. I am very grateful to have been a part of this programme.”

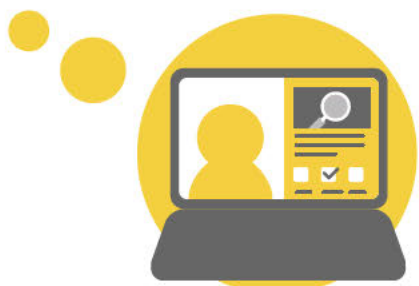
Audrey Bianco,
In2science summer programme participant
- Queen Mary University of London

1737 participations across our 28 skills, university and employability workshops.

17,016 hours of in-person placement experience.



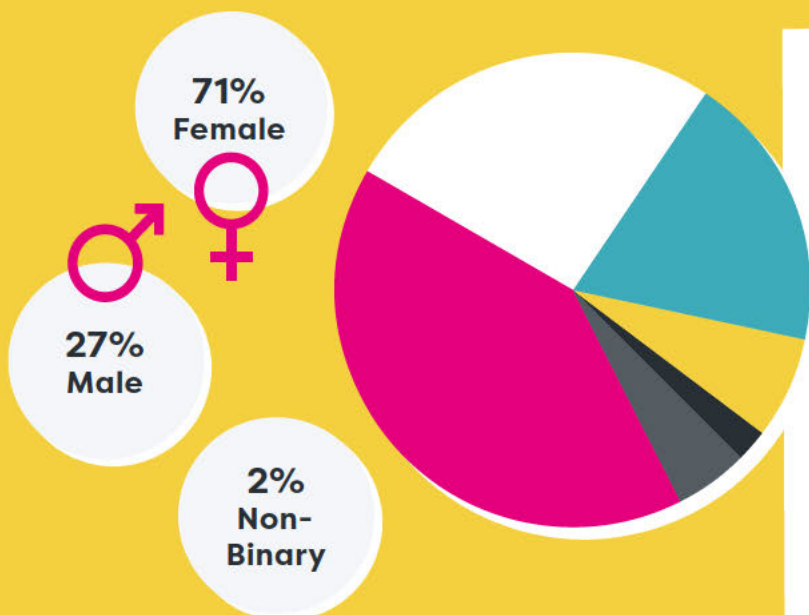
88 students participated in the trial of our online summer programme alongside our in-placement programmes.



Our Young People

Our programme supports young people from low socio-economic backgrounds, such as those on free school meals and individuals who have parents or guardians with no higher education qualification⁶.

This year we supported **809** young people from over **361** schools



81% were from minority ethnic groups;

- Arab (5%)
- Asian or Asian British (41%)
- Black, Black British, Caribbean or African (26%)
- White (19%)
- Mixed/Multiple ethnicity (7%)
- Any other Ethnic Group (2%)

81/809

(10%) have an Education Health Care Plan



644/809

(80%) of parents did not have university degrees



515/809

(64%) were eligible for Free School Meals



418/809

(52%) participants at some point received Pupil Premium, Education Maintenance Allowance (EMA) or the 16-19 Bursary

41/809

(5%) are currently or have been in care



93/809

(11%) have caring responsibilities

6. Participants meet at least one of the following criteria. (1.) Be a recipient of free school meals in Year 11, or at sixth form (or equivalent), (2.) Be a current recipient of EMA, Pupil Premium or the 16-19 bursary, (3.) have parents or guardians with no higher education degree, (4.) students who are, or have been, in care, or have caring responsibilities.

Munem's story

“

I applied to the In2science summer programme because I will be the first in my family to go to university and I wanted to confirm that it was the right decision for me. Having the chance to experience engineering at the University of Leeds, first hand, as well as what student and university life is really like, has given me the confidence to go for university.



During the placement we have got hands on with projects, like working with the chem-cars. It has been fantastic because not only have we had the opportunity to do experiments and work with equipment we only talk about at school, we have also had to work like a real chemical engineer would, thinking about requirements, optimising processes and adapting the design.

Learning these skills will be really helpful, but the placement has also helped me learn soft skills. Speaking to professors, university students and other In2science participants has really helped me to learn how to communicate with people I didn't know.

Following the programme I am leaning towards a career in chemical engineering, but having the opportunity to speak to engineers from different departments and even from industry, has shown me that there are a lot of options and not one path to achieve your goals.

Munem Akram,
In2science summer programme participant



2023 Impact Evaluation

We evaluated pre- and post-programme survey responses from 788 participants who took part in the 2023 In2science summer programme. Responses from our participants were compared to responses from a comparison group of 147 students⁷. The comparison group did not attend the programme and surveys were run alongside those completed by our participant group.

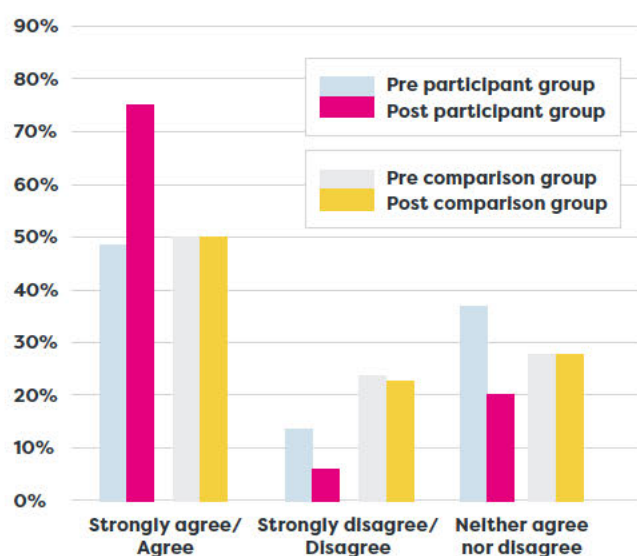
University Access

An understanding of the education and employment pathways is critical in enabling young people to make informed decisions about their studies and careers. Our data below provides a snapshot of how the programme helped our young people to gain knowledge and understanding of opportunities available to them within STEM.

After the programme, 75% of participants agreed or strongly agreed that they feel confident that they can write a high quality UCAS personal statement or application. This is an increase of 26% compared to before the programme (Figure 1). Furthermore, 83% agreed/strongly agreed that they know where to seek support and advice about the application process, an increase of 18% (Figure 2). The comparison group didn't show an increase during the same period of time.

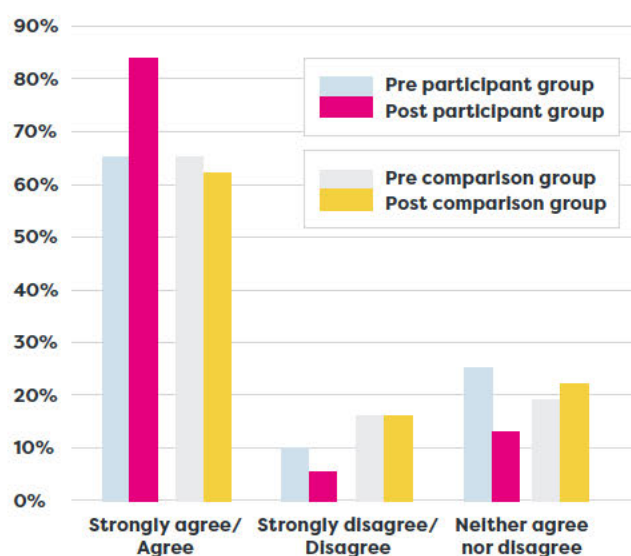
(Figure 1)

'I feel confident I can write a high quality UCAS personal statement or application'



(Figure 2)

'I know where to seek support and advice about the application process'

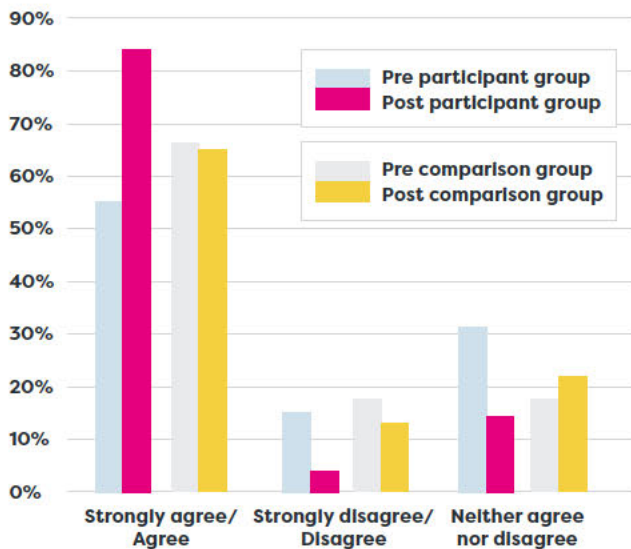


7. The comparison group consists of 147 students who applied and were eligible for the programme but we were not able to offer a place.

There was an increase of 28% of participants that said they understand the content and structure of a range of STEM degrees and apprenticeships and an increase of 19% that said they know a number of diverse careers they could enter with the degree or apprenticeship they are choosing (Figures 3 and 4). There was no increase in the comparison group.

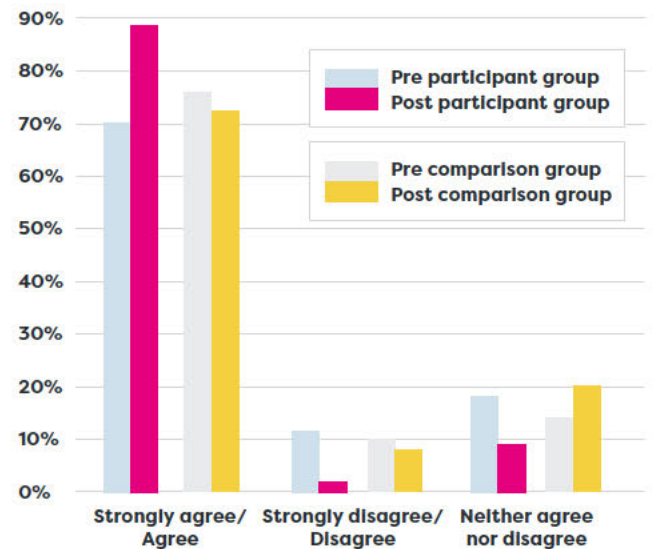
(Figure 3)

'I understand the content and structure of a range of STEM degrees and apprenticeships'



(Figure 4)

'I know a number of diverse careers I could enter with the degree or apprenticeship I am choosing'

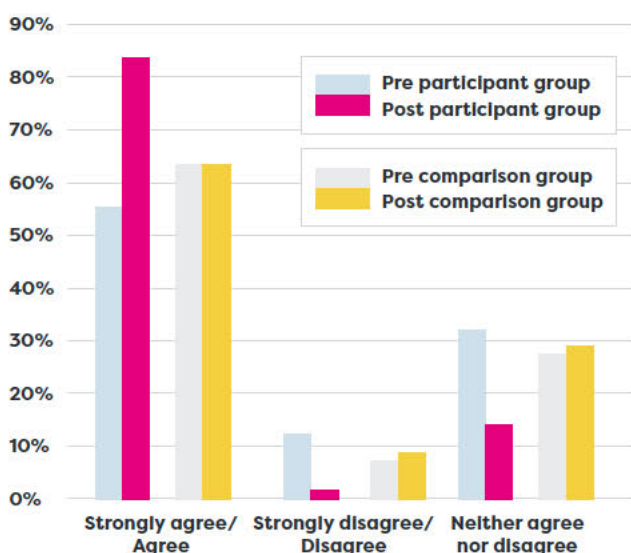


Overall, **87%** of students reported that the programme made them more sure of their career aspirations.

Young people on our programme improved their knowledge about a career in STEM. After the programme 84% agreed or strongly agreed that they know quite a lot about the nature of jobs in science, technology, engineering or maths (STEM) and 91% reported that they know what it means to work in STEM. This compares to 56% and 62% agreeing/strongly agreeing before the programme (Figures 5 and 6). The comparison group didn't show an increase in knowledge during the same period of time.

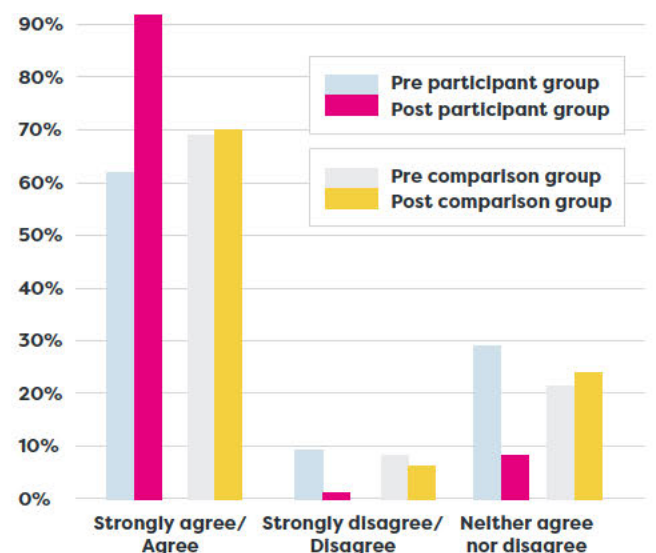
(Figure 5)

'I know quite a lot about the nature of jobs in science, technology, engineering or maths'



(Figure 6)

'I know what it means to work in science, technology, engineering or maths'



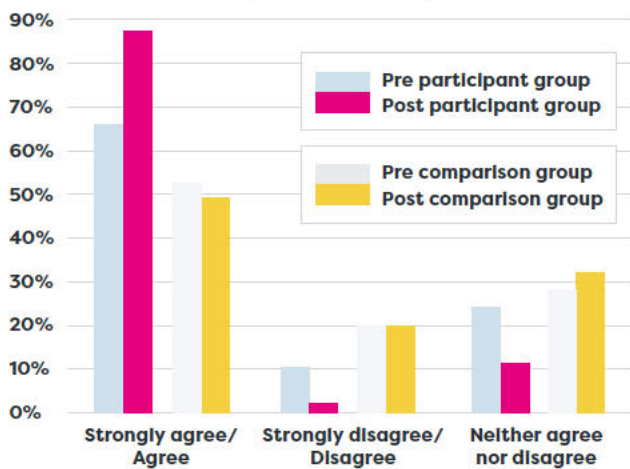
Science Capital

Science capital refers to what you know, who you know, how you think and what you do⁸. The more of it you have, the more likely you are to believe that ‘science is for me’ which can lead to engaging better as well as taking science education further.

Alongside increased knowledge about careers in STEM, our participants also gained confidence to engage with academics and professionals. 87% of participants agreed/strongly agreed after the programme that they feel confident introducing themselves to a researcher in person and 93% felt confident to do so by email (Figures 7 and 8). This compares to 66% and 82% respectively before the programme and no increase of confidence in the comparison group.

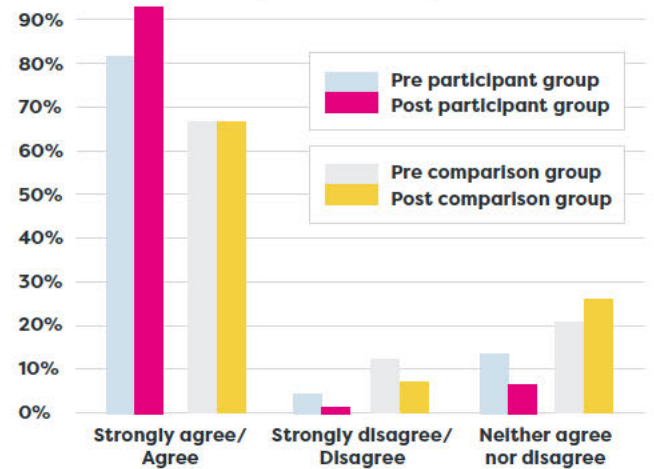
(Figure 7)

‘I feel confident introducing myself to a researcher or science, technology, engineering or maths professional in person’



(Figure 8)

‘I feel confident introducing myself to a researcher or science, technology, engineering or maths professional by email’

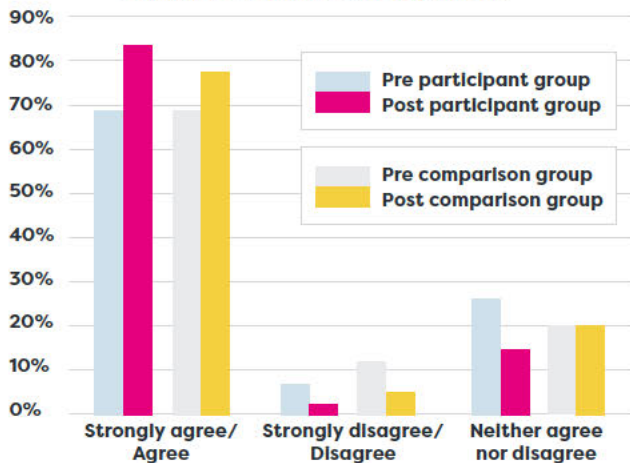


Furthermore, participants showed an increase in their confidence in their skills. 84% of participants agreed/strongly agreed after the programme that they feel confident about using scientific evidence to make an argument. This is an increase of 15% compared to before the programme. The comparison group showed an increase of 8% in the same timeframe.

There was also a positive shift in how participants think and identify with STEM studies and careers. After the programme, 75% agreed/strongly agreed that people like themselves work in STEM. This is an increase of 16% compared to before the programme. The comparison group showed an increase of only 4% (Figure 10).

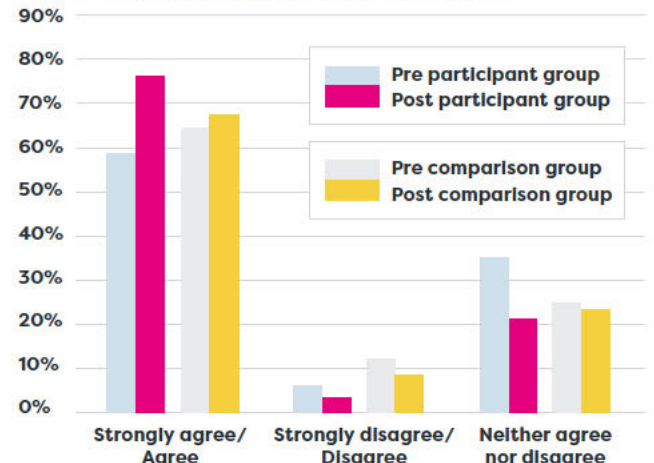
(Figure 9)

‘I feel confident about using scientific evidence to make an argument’



(Fig. 10)

‘People who are like me work in science, technology, engineering and maths’



8. Godec, S., King, H., & Archer, L (2017) The Science Capital Teaching Approach: engaging students with science, promoting social justice. London: University College London.

Jazmin's story

“

I wanted to do the In2science summer programme because I don't have anyone around me who has knowledge about the area I want to study. Neither of my parents went to university; one parent studied up to secondary school and my other parent left school to start working from 14 years old. I am the first one that will be going to university.



Doing my placement at the Francis Crick Institute gave me great insight into what research is about. I had the opportunity to look into the microglia, a cell within the brain tissue, neurons, and how it contributes to and impacts diseases. The project also takes into account how it differs between sex.

I got to master using the pipette and look into the slices we sectioned from the brain of mice with a microscope which is exciting. There are a lot of machines in the lab with strange names that I have had the chance to use! I love reading about neuroscience and have looked into research by myself over the last year. There are some techniques which came up on this placement which I've only ever heard about before. This week was really enriching.

The highlight for me was definitely getting to see the brains, it's not something you normally get to see. I have always wanted to study the brain and it was right there!

Where I am from, you don't get opportunities like this to explore science. I am even more excited to study neuroscience at university now. I am interested in working in research and I was lucky that my host is a really great person too, of a similar background. I really enjoyed the In2science summer programme, doing this programme is definitely a win-win! ”

**Jazmin,
In2science summer programme participant**

Online summer programme

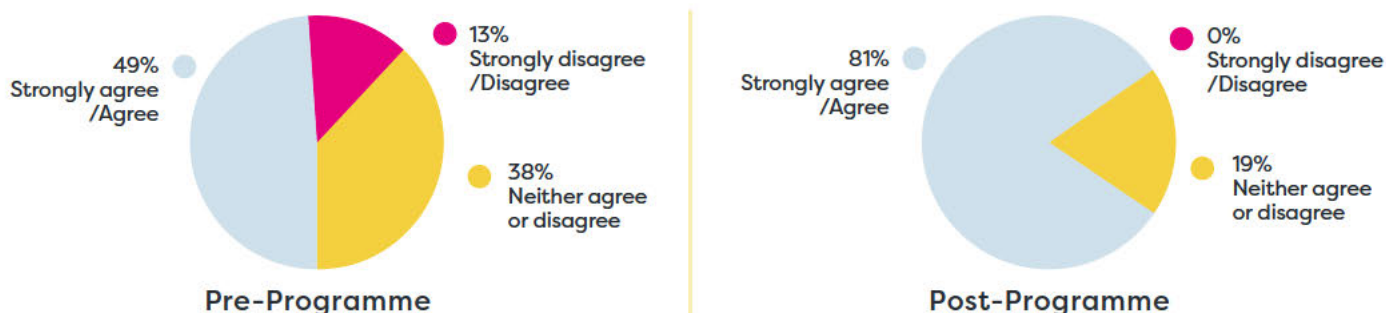
Following on from the success of our online programme delivery during the COVID-19 pandemic, in 2023 we trialled a fully online programme to measure the success and continued engagement with an online offer.

88 students gained access to cutting edge research courses, mentoring by STEM professionals working in their aspirational fields of Biosciences and Engineering, and the opportunity to develop their skills, knowledge and confidence through our online workshops.

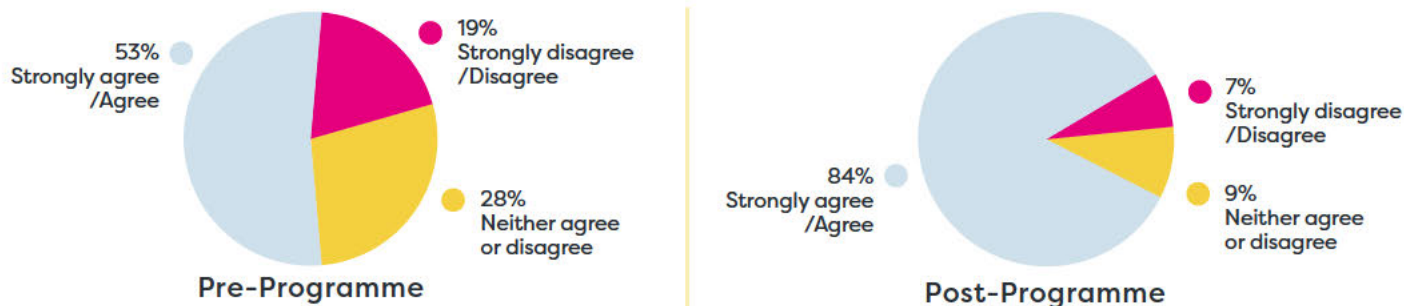
81% of participants agreed or strongly agreed after the programme to knowing quite a lot about the nature of jobs in STEM compared to only 49% before the programme (Figure 12).

There was an increase of 31% of participants who agreed or strongly agreed that they understand the content and structure of a range of STEM degrees and apprenticeships after the programme (Figure 13).

(Fig. 12) 'I know quite a lot about the nature of jobs in science, technology, engineering or maths'



(Fig. 13) 'I understand the content and structure of a range of STEM degrees and apprenticeships'



66% agreed or strongly agreed that people like themselves work in STEM, which is an increase of 15% compared to before the programme (Figure 14).

(Fig. 14) 'People who are like me work in science, technology, engineering and maths'



67% of participants agreed/strongly agreed after the programme that they feel confident they can write a high-quality UCAS personal statement, which is an increase of 23% compared to before the programme (Figure 15).

(Fig. 15) 'I feel confident I can write a high quality UCAS personal statement or application'



Furthermore, 83% agreed/strongly agreed that they felt confident about using scientific evidence to make an argument, which is 26% more compared to before the programme (Figure 16).

(Fig. 16) 'I feel confident about using scientific evidence to make an argument'



“

My experience on the In2scienceUK programme was fantastic. I had a great mentor, she was so lovely and kind. She helped me improve my communication skills and confidence although the program was virtual. The research topics were captivating, especially Huntington's disease, it was an eye opening area of discovery. In2scienceUK has been the best thing that has ever happened to me, plus you become an alumni after completing such a wonderful program and a participant of In2careers which is also a great place to build connections. ”

In2science summer online participant

Past Participants

Since the launch of the In2science summer programme, we have seen 4,293 students take part in cutting edge STEM research and innovation. We take immense pride in the programme's effectiveness in bolstering the aspirations of our young participants.

We analysed the data of the three most recent cohorts for which UCAS STROBE data was available, cohorts 2019 - 2021⁹, comprising 1,546 In2science summer programme participants.

Our analysis shows that in comparison to the respective matched group, In2science summer programme participants had a statistically significantly higher rate of application to university in general and to higher tariff universities^{10,11}. This indicates that the In2science summer programme increases the ambition and confidence of participants in applying to universities - especially more competitive universities.



97% of students who applied were offered a place at University.

95% of those that went to University said they studied a STEM degree¹².

89% of our students applied to university through UCAS



85% of those that applied accepted a place at university immediately after school.

9/10 students who applied to university applied to a higher tariff university.

8/10 students who are offered a place at university were offered a place at a higher tariff university.

60% of students who were offered a place at a higher tariff university accepted a place at a higher tariff university.



“

In2scienceUK has made a noticeable difference to my career. Firstly it gave me strong scientific experience to focus on in my university personal statement. Also during my time in the Royal Free Laboratories with In2scienceUK, I was introduced to numerous laboratory techniques that I had only learned about in theory. I currently work as an analytical scientist for an Oxford-based Biotech company where we manufacture viral based vectors to treat a wide range of conditions including a variety of cancers, cystic fibrosis, Parkinson's disease as well as one of the approved COVID-19 vaccines. I still use most of the techniques I learned during my experience in my job today. ”

Mason, In2science summer alumnus

9. Data for 2022 is not yet available as the UCAS process has not been completed.
10. Higher tariff universities are defined by UCAS STROBE as representing the highest performing and most competitive institutions.
11. The data compares a database of UCAS applicants matched with the In2science summer programme using characteristics such as age, ethnicity, gender, postcode, proportion eligible for free school meals and academic achievement.
12. Data taken from analysis of our 1 year on surveys for the same period. (~30% response rate)

Our Volunteers

In2science summer programme

Without the support of our volunteers, our mission would not be possible. We are hugely grateful to each and every volunteer who continues to offer their insight, experience and knowledge across STEM to support and inspire our beneficiaries.



“

We get so carried away in our jobs. It's fundamental to give an opportunity and insight into our professional lives to someone else who can then go and reflect on what they've experienced. I wanted the students to really gain real-life experience and to be able to offer this to them makes me proud, it makes me think "Look, people have smiles on their faces!". It's made people in the whole team, from academic staff to academic support, reflect on things. We've achieved a lot in our careers but we were all these students at one point. We wanted them to feel like this was something they could always remember and can look back at, and feel proud that they came. ”

Victoria Hoskins, In2science summer programme host, UCL Eastman Dental Institute

Our continued commitment

Choosing to pursue STEM beyond school is the first step towards a successful career in the STEM sector. However, students from low socio-economic backgrounds are still more likely to drop out of university^{13,14}, less likely to progress to academic research¹⁵ and face significant barriers to equitable employment¹⁶.

At In2scienceUK we have launched a number of initiatives to continue supporting our young people beyond the In2science summer programme, throughout their career journey, to help them progress into a bright future within STEM.

In²careers

In2careers is committed to supporting our young people as they journey through higher education and training and onto successful STEM jobs and careers. With over 1,000 participants on our interactive platform, our alumni community have access to a portfolio of opportunities, including employability workshops and skills clinics, university peer mentoring and industry networking opportunities, access to work experience and internships, attendance to STEM festivals and events, as well as a host of volunteering opportunities to be able to give back to our community.

In²research

In2research is run in partnership with UCL, City, University of London, Leading Routes, Students' Union UCL and UPSIGN. This year-long programme strives to improve access to postgraduate degrees and careers for people from low socio-economic and under-represented backgrounds. In 2022/23, the programme supported 87 participants access year round mentoring, research access and skills building workshops, alongside 8-week fully funded research placements in London and Cambridge.



13. Social Mobility Commission (2019) State of the nation 2018-2019: Social Mobility in Great Britain, Summary, [State of the Nation 2018-19: Social Mobility in Great Britain – Summary \(publishing.service.gov.uk\)](https://publishing.service.gov.uk)

14. Lewis, J. & Bolton, P. (2023) Equality of access and outcomes in higher education, <https://commonslibrary.parliament.uk/research-briefings/cbp-9195/>

15. Mateos-Gonzalez, J. L. & Wakeling, P. (2021) Inequality in the highest degree? Postgraduates, prices and participation. Sutton Trust, [Inequality-In-the-Highest-Degree-Final-Report.pdf](https://www.suttontrust.com/wp-content/uploads/2021/06/Inequality-in-the-Highest-Degree-Final-Report.pdf)

16. The Royal Society (2014) A picture of the UK scientific workforce - Diversity data analysis for the Royal Society, Summary Report, [070314-diversity-report.pdf \(royalsociety.org\)](https://royalsocietypublishing.org/doi/10.1098/rsos.140001)

2024 and beyond

In²STEM

We are thrilled to announce that we are changing the name of our In2science summer programme to “In2STEM” in 2024. The In2STEM name reflects our commitment to empowering youth and fostering more opportunities across the landscape of STEM, with an emphasis on growing our offer in the fields of technology, engineering and mathematics. This will further help to address the needs of the industry and our young people.



Growing our reach

The next year will be one of growth for In2scienceUK and the In2STEM programme. As the organisation grows in size and reach, our ambitions are growing as well. In 2024 we will aim to support more young people than ever before and will specifically focus on regional expansion to achieve this goal. We will engage a wider range of volunteer hosts to offer young people in underserved regions the chance to participate in our programme.



Building on our work in policy

The In2STEM programme has created a foundation for our impact to expand. In 2024 we will continue to influence policy to break down barriers for young people from disadvantaged backgrounds.

By bringing our voice and knowledge to the policy world, we will highlight how various regulations impact young people. We will especially focus on the intersection of STEM careers and education with socio-economic disadvantage and will create opportunities for young people from disadvantaged backgrounds to be better represented in STEM industries.

With thanks to our funders and partners

Abcam

Alzheimer's Research UK - Scotland
Network CentreBioSciToolkit

Appleyard Lees

Blackfield Associates

Cancer Research

College of Medical and Dental Science
(University of Birmingham)

Creative Tuition

D Young & Co

Garfield Weston Foundation

Grayce

GSK

Guarantors of Brain

HGF

Institute of Applied Health Research
(University of Birmingham)

IP Federation

IPEM

IPReg

MEI

MRC AIM DTP

MRC Brain Network Dynamics Unit
(University of Oxford)

MRC Laboratory of Molecular Biology
(University of Cambridge)

MRC Weatherall Institute of Molecular
Medicine (University of Oxford)

New Scientist Live

Ocado, Code for Life

Omnicom Healthcare Group

Paul Hamlyn Foundation

Peoples Post Code Lottery

Playstation

Ricardo

SEC

Singular Talent

SISTEM

The British Computer Society, Institute of
Technology

The Manly Trust

The National Physical Laboratory

The Red Pen

TPXImpact

UCL Birkbeck MRC DTP

UCL Engineering

UCL Widening Participation

UK Dementia Research Institute

Univeristy of Birmingham - School of
Biomedical Sciences

Univeristy of Essex

Univeristy of Leeds

Uptake Strategies

Urenco

ZeroAvia





STEM Behind the Scenes Competition entry by participant - Afra Khan

To find out more about our programmes, or to get involved
contact anishtha@In2scienceuk.org

If you would like to partner with us, donate or fundraise to support our initiatives contact
development@In2scienceuk.org

@In2scienceUK
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Our registered address is 10 Queen Street Place, London, EC4R 1BE.

IPReg Board Meeting Actions Log - New and Outstanding Actions

Item 11

January 2024 Board meeting

Date of Meeting in which action arose	Agenda Item	Action	Responsibility	Status	Notes/Update
December 2023 Board Meeting					
Dec-23	Governance Action Plan Implementation	KK and FG to work on the wording of the stakeholder engagement strategy	FG/KK	Open	
Dec-23	Governance Action Plan Implementation	CEO to arrange for documents to be published	FG	Closed	
Dec-23	LSB Draft Narrative Assessment of IPReg's Performance	Director of Policy to finalise document and send to the LSB	VS	Closed	
Dec-23	CEO's Report – Articles of Association	CEO to take forward discussions with Kingsley Napley	FG	Open	
Dec-23	CEO's Report – Donation to IP Inclusive	CEO to notify IP Inclusive of decision on funding	FG	Closed	
Dec-23	Risk Working Group	CEO to finalise contract with Sayer Vincent for support on risk management	FG	Open	Contract expected 11 January
Dec-23	Education Working Group	Education and Diversity Policy Officer to request update from the PEB in late January	GS	Open	

IPReg Board Meeting Actions Log - New and Outstanding Actions

Dec-23	Education Working Group	Education and Diversity Policy Officer to notify education providers of the revised reaccreditation timetable	GS	Open	
November 2023 Board Meeting					
Nov-23	Governance Action Plan Implementation	CEO to review draft procurement policy	FG	Open	
May 2023 Board Meeting					
May-23	Working Group Reports - Education	Education and Diversity Officer to include litigation qualification in the wider work on education	GS	Ongoing	
July 2022 Board Meeting					
Jul-22	Financial Statements (IPReg Ltd), Directors' Report and Letter of Representation	Update financial procedures	KD	Ongoing	
Jul-22	Governance and Transparency Working Group – Report on findings and recommendations	Take forward Action Plan including regular updates to Board Meetings	FG	Ongoing	Regular reports provided to Board meetings