

## **The Patent Regulation Board and the Trade Mark Regulation Board**

### **Agenda**

**Thursday 14 March 2024 at 1.00 pm**

20 Little Britain, London, EC1A 7DH

1. Apologies [**FG joining remotely at 2pm GMT**]

2. Notification of any conflicts of interest

#### **Items for decision/discussion**

3. Minutes of January 2024 meeting and matters arising

4. IT system update (SE) – no paper

5. Regulatory Performance Assessment – LSB Review of Standards 1 and 2 and IPReg Assessment against Standard 3 (VS)

6. Risk Working Group Update – (VO/VS)

7. Complaints update (SE)

8. Education:

- a. Barriers to entry project (FG/SE/KK) – no paper
- b. Update on PEB Improvement Plan – (FG/SE) – no paper

9. Review of compensation arrangements (VS/FG)

10. Waiver application – Director requirements (FG/SE)

11. Changes to PAMIA's PII policy/PII Minimum Terms and Conditions (FG) – no paper

12. CEO's report (FG)

13. Governance Action Plan (SP/FG) – review of outstanding matters

#### **Items to note**

14. Action Log (FG)

15. Red Risks (FG)

## 16. Finance Report (KD)

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## 17. 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 14 March 2024

### Regulatory performance framework – Legal Services Board’s Standards 1 and 2 Assessment of IPReg and IPReg’s Standard 3 Assurance Mapping

Agenda Item: 5

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This paper is for both information purposes (regarding the LSB’s assessment of IPReg against Standards 1 and 2) and decision/discussion (regarding our self-assessment against Standard 3).

The Standard 3 Assessment (Annex B) will not be published because it is in draft form, the LSB narrative assessment of IPReg is included in its [Regulatory Performance Assessment Report Feb 2024](#) published on its website.

### Summary

1. This paper relates to the Legal Services Board’s (LSB) final version of its narrative assessment for the period October 2022 – May 2023, which we received on 16 February 2024. The decision on IPReg’s performance is attached at **Annex A**. The LSB has not changed its initial assessment, meaning we have been given “partial assurance” rating on the ‘well-led’ and ‘effective approach to regulation’ Regulatory Standards (RSs). We discussed the outcome at our relationship meeting with the LSB on 21 February 2024 and will give an oral update to the Board. [The full report on all regulators](#) states the LSB has:
  - full assurance that both the CLSB and the SRA meet RS1 (Well-Led) and 2 (Effective Approach to Regulation),
  - full assurance that the ICAEW meets RS1, and
  - partial assurance that all other regulators (IPReg, BSB, CILEx, CLC, MoF (and ICAEW regarding RS 2)) meet those 2 RSs.
2. This paper sets out what the LSB considers are IPReg’s strengths and its reasons for why it has only partial assurance that we meet RS 1 and 2 (the Board will recall that we considered we had full assurance on RS1 and partial assurance on RS2). Even though we delivered everything we set out to in the timeframe (October 2022 – May 2023) to which the assessment related, the LSB considers that we provide partial assurance only at this stage. However, due to our scheduled continuing improvement plans, as identified in the [IPReg Business Plan 2024/25](#) and reflected in our self-assessment and information request response, it considers it likely that in the next round it will have full assurance on all 3 RSs, “IPReg has worked hard to build progress on the progress we identified last year and has introduced tangible actions to improve its regulatory activities. These should enable it to provide sufficient assurance against all three standards by the time of our next assessment”.

3. The LSB’s [full report on all regulators](#) identifies good practice elements of each regulator. These are listed in the table at item 21 of this paper alongside an IPReg benchmarking of whether the element is already applied in some shape or form by IPReg, and/or if not, whether it is relevant to IPReg to consider applying it. Application of two items, relating to a consumer focused regulation report assessment and the information captured by the annual regulatory return, are provided for consideration by the Board.
  
4. Whilst the LSB’s performance information request included specific questions in relation to operational delivery matters (RS3) it did not require a comprehensive assurance mapping. This paper provides the Board with the draft assurance mapping of IPReg’s performance against Regulatory Standard 3 (Operational Delivery) at **Annex B**. The mapping proposes a full assurance rating is based upon the Board’s previous approach to assurance rating – that is that we take into account planned actions which demonstrate both a positive direction of travel and continuing improvement.

## Recommendation(s)

5. The Board:
  - notes the LSB narrative assessment of IPReg’s performance and confirms it is content with application of the good practice recommendations identified at item TBC; and
  - considers, and subject to any amendments it might suggest, endorses the proposed assurance mapping of RS 3.

## Risks and mitigations

	Risk	Mitigation
Financial	Our approach to building our evidence base has led to criticism from the LSB that we have not allocated sufficient priority to this area.	<p>We have allocated £15k from reserves to fund research. We have contracted with Cut-Through Consulting to provide support on data and evidence gathering and analysis and he is actively participating in the regulators’ research/risk groups.</p> <p>We have budgeted £15,000 for the CPD random sampling/thematic review; £30,000 for the transparency thematic review and £10,000 for the review of the Professional Indemnity Insurance Regulatory Sandbox. These reviews will be undertaken by external independent bodies to assure registrants of impartiality.</p>
Legal		

<b>Reputational</b>	The LSB has criticised specific aspects of IPReg’s work and has raised questions about the Board’s approach to governance.	We have adopted and published a detailed Governance Action Plan. The governance plan is a standing agenda item at Board, given prominence at each meeting, with proper discussion time allocated to progress reports and review.
<b>Resources</b>	The assurance mapping process is taking a significant amount of resources.	The Director of Policy has been able to focus on this area of work since the first assurance mapping draft was brought to the May 2023 Board meeting.

### LSB Assessment of IPReg

6. On 1 January 2023, the LSB’s new regulatory performance framework went live. The framework is based around 3 Regulatory Standards:
  - RS1 Well-Led: regulators are well-led with the resources and capability required to work for the public and to meet the regulatory objectives effectively
  - RS2 Effective approach to regulation: regulators act on behalf of the public to apply their knowledge to identify opportunities and address risks to meeting the regulatory objectives
  - RS3 Operational delivery: regulators’ operational activity (e.g. education and training, authorisation, supervision, enforcement) is effective and clearly focused on the public interest.
7. On 6 June 2023, the LSB issued a regulatory performance information request to the frontline legal services regulators. The request was focused on assurance mapping the 15 Characteristics underpinning RS1 and RS2. Additionally, it asked specific questions of the regulators relating to: consumer empowerment, ongoing competence, the public interest, use and deployment of evidence and proactiveness in supervision and examples of innovation. These were accompanied by questions specific to each regulator. IPReg’s questions asked for progress updates such as our implementation the new core regulatory framework, and scheduled reviews of the Accreditation Handbook and Competency Frameworks. The assessment was based on the period October 2022 to May 2023.
8. The Board meeting on 13 July 2023 considered at length our performance. In the Board’s judgement, it had full assurance that we are well-led (RS1) and partial assurance on the effective approach to regulation (RS2). Our full response to the LSB’s regulatory performance information request was made on 27 July 2023. On 15 November 2023, we received the LSB’s draft narrative assessment of our performance which proposed partial assurance with both RSs. This, and IPReg’s proposed response, was discussed by Board at its meeting on 7 December 2023. We responded to the LSB on 11 December 2023 and emphasised the significant body of work we had undertaken, that we delivered everything

we intended to in the timeframe to which the assessment related and have clear ongoing plans to continuously improve, meaning that we have full assurance we are well-led. The LSB's final narrative assessment of our performance was shared with us on 16 February 2024, ahead of its publication within the [broader report covering all the regulators](#) on 20 February 2024.

9. The LSB's regulatory performance review of IPReg is at Annex A. It recognises the significant work programme undertaken by IPReg and our positive trajectory. It states "IPReg has worked hard to build on the progress we identified last year and has introduced tangible actions to improve its regulatory activities. These should enable it to provide sufficient assurance against all three standards by the time of our next assessment". It identifies good practice in light of delivery of our new governance measures and Board papers which clearly set out the evidence, data and assumptions in all proposals brought to Board. Conversely, it states we need to gather information on the impact of our new core regulatory framework (which only came into effect on 1 July 2023, after the end of the assessment period) and that we need to develop our evidence base and our work on Equality, Diversity and Inclusion, both of which we identified in our self-assessment and are being actively applied.

#### Regulatory Standard 1 – Well-Led

10. The LSB's overall assessment of IPReg against **RS1 Well-Led** is that it has partial assurance that we meet this standard (we had proposed full assurance on the basis of our comprehensive governance review and implementation and related direction of travel). It comments positively on:
  - a) our 'significant Board engagement' (the governance review and independently taken minutes),
  - b) our regulatory arrangements review's detailed impact assessment and engagement with the profession,
  - c) new transparency arrangements including a consumer facing leaflet,
  - d) using an external research consultant to identify and collate regulatory intelligence and
  - e) seeking input from the Legal Services Consumer Panel on a range of matters.
11. It would like us to demonstrate 'proactivity alongside meaningful engagement with the profession and other stakeholders on a consistent basis in pursuit of the regulatory objectives in the coming year'. Also that it will continue to monitor our progress on the following items (set out in our Business Plan and self-assessment): implementation of the governance plan, the evidence we will gather as part of our thematic reviews and what we will do with the information, and further examples of our proactive approach to regulation.

#### Regulatory Standard 2 – Effective approach to regulation

12. The LSB's overall assessment of IPReg against **RS2 Effective approach to regulation** is that it has partial assurance that we meet this standard (we had also proposed partial assurance on

the basis of the needed Equality, Diversity and Inclusion [EDI] work we are actioning). It recognises:

- a) the significant work undertaken to inform our regulatory arrangements review,
  - b) implementation of a new Board paper template designed to ensure that evidence, data and assumptions are clearly set out in Board Papers, and
  - c) the creation of a risk working group and research consultant should aid us in gathering data and insight.
13. It wants us to engage more proactively with innovators, commenting that ‘IPReg considers that it demonstrates active encouragement of innovation through its membership of the Law Tech Regulatory Response Unit and its own PII Sandbox. We consider that both are important measures to encourage innovation. However, we consider IPReg can do more to proactively engage with innovators to help address concerns about perceived regulatory barriers to innovation’. In our Relationship Management meeting on 21 February we asked the LSB for the evidence that it had of perceived regulatory barriers in the IP sector so that we could focus our activities on them.
14. It expects to see IPReg make progress on its EDI work (the 18 January 2024 meeting of Board agreed our new EDI policy and action plan) and that it will continue to monitor our progress on the following (set out in our Business Plan and self-assessment): updates on our data/evidence gathering and its usage, insight into our progress on EDI, and additional information demonstrating how we proactively encourage innovation and innovators in the interests of improving access to services.

#### Regulatory Standard 3 – Operational Delivery

15. Whilst the LSB’s performance assessment states it did not focus on **RS3 Operational delivery** it did ask targeted questions to gain an idea of our progress in relation to activities such as reviewing the Handbook and Competency Frameworks. It also states that it will look forward to seeing progress over the next year regarding: our planned reviews and our use of evidence obtained through the supervision of the new regulatory arrangements to ensure that authorised persons .
16. As agreed at the July 2023 Board meeting draft assurance mapping against Standard 3 is provided at Annex B. This is for the purposes of our own self-assessment and is not for submission to the LSB. We awaited the feedback from the LSB on RSs 1 and 2, before submitting the RS3 assurance mapping for Board review.
17. The assurance mapping sets out that we have green/full assurance that our operational activity (e.g. education and training, authorisation, supervision, enforcement) is effective and clearly focused on the public interest. We consider that the following RS3 Characteristics are all met:

Characteristic 16 – Ensures that authorised persons have and maintain the right skills, knowledge, behaviours and professional ethics to practise throughout their careers.

Characteristic 17 – Maintains accessible and accurate registers of authorised persons, including information on disciplinary and enforcement action.

Characteristic 18 – Sets out clear, accessible criteria for taking decisions about the authorisation, supervision of authorised persons and enforcement proceedings against them to protect the public; adheres to the criteria when taking decisions.

Characteristic 19 – takes concerns raised by the public, the profession and other stakeholders seriously; pursues those concerns with appropriate rigour and pace under a transparent process.

Characteristic 20 – Proactively seeks to maintain appropriate standards of conduct and responds to thematic issues arising from operational activity, including ensuring that those they regulate take action, where relevant.

18. This green/full assurance is on the basis of the significant body of work undertaken through our comprehensive review of the regulatory arrangements, the subsequent new regulatory arrangements, as well as the significantly improved complaints handling timeframes. Additionally, we have scheduled thematic reviews of CPD (random sampling to commence in Q2 2024) and the transparency requirements (develop the approach in Q2 2024, undertake in Q3 2024, with lessons learned published Q4 2024 or Q1 2025) we will undertake a review of the PII Regulatory Sandbox (2025) and are in the early stages of the barriers to entry work.
19. The LSB’s review states that over the next year it will progress several workstreams relevant to the RS3 workstream: reviewing disciplinary and enforcement processes and tools (we received an unexpected information request on this topic on 27 February), evaluating its education guidance and collaborating with and supporting regulators in developing a regulatory information service (single digital register) that supports consumers in accessing legal services.

#### Going forward

20. Our [Business Plan 2024/25](#) sets out our commitments to drive forward:
- our work on education including a Call for Evidence on barriers to entry, review of the Accreditation Handbook and Competency Frameworks;
  - thematic reviews regarding continuing competence and transparency requirements;
  - a review of the PII Regulatory Sandbox;
  - building the evidence base;
  - the diversity work programme;
  - developing our understanding of Artificial Intelligence;



- governance and risk management work.

We will, as with all regulatory activities, seek to innovate where there is evidence of a need, gap, or barrier, and we can provide opportunity to do so in a safe space. These workstreams, as also identified at items 11, 14 and 18, are taken by the LSB as IPReg heading in the right direction to provide them with full assurance on all 3 RSs.

## LSB Regulatory Performance Review - broader

21. The report identifies three common themes:

- Transparency – some regulators are not open enough ‘about how they make decisions affecting consumers, the public and their regulated communities’. We actively seek to be transparent about our activities – and the Board paper today on the waiver request is an example of this. We have noted that the LSB identified our Board paper template as good practice but will review this from time to time to consider if further improvements should be made to it;
- Skills – some regulators ‘need to do more to ensure they have the right skills, expertise and systems in place’ – we are actively reviewing our systems such as risk management and governance, and are bringing in specialist input in other areas such as evidence and data collection as appropriate;
- Use of evidence – ‘several regulators need to do more to show how they use evidence to make decisions and evaluate the impact of their work’ – we are actively working on this, for example: the research/horizon scanning update provided to each meeting of IPReg Board; when the LSB’s Legal Needs Survey of individual consumers is published in Spring 2024, we will ask our external adviser to review it to see if there is any data in it that is relevant to the IP sector; we are supporting (through David Bish’s expertise) the BSB research on digital exclusion; and the recent LSB feedback on our draft compensation arrangements rule change application welcomed the evidence provided (including the actuarial report which was provided on a confidential/non-publication basis), the LSB also welcomed the detailed impact assessment included in our new regulatory arrangements rule change application.

22. The LSB also identifies the following good practices from each regulator which the other regulators are urged to consider and which reinforce the need for evidence based regulation, transparency of decision making, proactivity, stakeholder engagement and risk assessments (and whilst we are committed to these main themes, there are specifics to consider as follows) :

Regulator	Good Practice	IPReg Benchmarking
Bar Standards Board	<ul style="list-style-type: none"> <li>• Some improvements on transparency and to its governance documentation;</li> <li>• its plans to undertake a self-assessment against the indicators in</li> </ul>	<p>The LSB identifies our transparency of decision-making and governance review as good practice.</p> <p><i>Consider undertaking a snapshot assessment against the relevant</i></p>

	<p>the LSCP report on consumer focused regulation;</p> <ul style="list-style-type: none"> <li>• proactiveness in its end-to-end review of enforcement processes;</li> <li>• proactive approach to EDI in respect of its liaison with planning departments in London boroughs to discuss reasonable adjustments to facilitate access to chambers for those with disabilities;</li> </ul>	<p><i>indicators of this report (to take a proportionate approach given that the IP sector is predominantly business-to business). Investigate the feasibility of using the agency used by the LSB for market research.</i></p> <p>Our new regulatory arrangements seek to embody best practice disciplinary arrangements, and we have significantly improved complaint handling timeframes.</p> <p>The inaccessibility of chambers is an issue particular to the Bar profession and its situation in historic buildings centred around the courts.</p>
<p>CILEx Regulation</p>	<ul style="list-style-type: none"> <li>• some improvement on transparency of decision-making and articulating its approach to regulation, including improving its reporting to its Board;</li> <li>• the development of risk matrices to inform ongoing competence and supervision;</li> <li>• its collaboration activities with the SRA on advocacy education materials;</li> <li>• its intention to collaborate with the BSB on research into digital exclusion;</li> </ul>	<p>The LSB identifies our transparency of decision-making and governance review as good practice.</p> <p>The Board paper template includes assessment against specified risk types as well as an impact assessment. We have created a Risk Working Group which is actively re-developing the organisation's approach to risk.</p> <p>We are collaborating on the digital exclusion research.</p> <p>As immediately above, we are collaborating on the digital exclusion research.</p>
<p>Cost Lawyers Standards Board</p>	<ul style="list-style-type: none"> <li>• using its insights about its regulated community and the market;</li> </ul>	<p>Each meeting of Board receives a horizon scanning report from an independent research consultant.</p>

	<ul style="list-style-type: none"> <li>• its use of a range of regulatory levers shows that CLSB considers how to deploy its regulatory oversight in a targeted and proportionate way;</li> <li>• continues to demonstrate its willingness to learn from others and to take action as a result;</li> <li>• its use of the evidence it gathered through its Regulators' Pioneer Fund work has shown the real value of holding significant up to date data on its regulated community and the costs sector in general;</li> <li>• its ongoing use of monitoring and evaluation to identify themes and issues and to take proportionate improvement action;</li> </ul>	<p>Our new regulatory arrangements seek to embody best practice disciplinary arrangements, and we have significantly improved complaint handling timeframes.</p> <p>The Risk Working Group recently undertook a benchmarking assessment of different approaches to risk. The Board had a useful meeting with the CLSB Board last summer.</p> <p>We have a Data Working Group, a horizon scanning report to each Board meeting and we have allocated £10,000 to gaining a clearer picture of the diversity profile of the profession(s).</p> <p>Our Board paper template is designed to ensure that evidence, data and assumptions are clearly set out in all proposals to Board.</p>
<p>Council for Licensed Conveyancers</p>	<ul style="list-style-type: none"> <li>• establishment of a Consumer Reference Group to inform regulatory policy developments;</li> <li>• its proactivity in developing a new ongoing competency framework informed by views of relevant stakeholders and targeted to the level of risk, as well as the inclusion of ongoing competence as an enforcement remediation tool in response to outcome D of the ongoing competence policy statement and the transition from an hours-based to outcomes based CPD framework;</li> <li>• proactiveness in implementing the sanctions regime through enhanced supervision, the Annual Regulatory</li> </ul>	<p>We actively engage with the Legal Services Consumer Panel, such as with the Client Facing Leaflet.</p> <p>We have committed to a thematic review of our new CPD requirements.</p> <p>The most recent annual regulatory return asked firms and sole traders to confirm whether they held client</p>

	<p>Return exercise and continued meaningful engagement with lead stakeholders in this area;</p> <ul style="list-style-type: none"> <li>• monitoring risk through its Annual Regulatory Return;</li> <li>• supervisory work through its Advisory Note and Risk Agenda to help its regulated community manage risk</li> </ul>	<p>money through the course of the calendar year of 2023 and if so, the amount held at any one time.</p> <p><i>At each annual regulatory return cycle we will consider any additional information which would be beneficial to capture (particularly in light of any lessons learned from the thematic reviews and/or the work of the Risk Working Group).</i></p> <p>The Risk Working Group is actively re-developing our approach to risk assessment and management.</p>
<p>Institute of Chartered Accountants of England and Wales</p>	<ul style="list-style-type: none"> <li>• provided evidence that it has the resources to support meeting the regulatory objectives;</li> <li>• engaged with its firms and others to gather evidence to inform its consideration about whether ICAEW should seek to cover more reserved legal services activities;</li> <li>• produces award winning innovative films to highlight ethical issues in a real-world context and to help raise standards across the profession;</li> <li>• development of several innovative tools to comply with and monitor CPD activity which could save both regulated individuals and the ICAEW time;</li> </ul>	<p>Our Board paper template is designed to ensure that consideration to the impact on the regulatory objectives is covered in each proposal brought to Board.</p> <p>We engaged extensively with firms throughout the regulatory arrangements review.</p> <p>We provided 3 webinars (one on the new arrangements as a whole, one on the new CPD requirements, and the last on the new transparency requirements).</p> <p>We are affording 18 month lead-in on compliance and have committed to a thematic review of how the CPD arrangements are being applied (random sampling to commence Q2 2024).</p>
<p>Intellectual Property</p>	<ul style="list-style-type: none"> <li>• engaged early with us on its substantive application to alter its regulatory arrangements and</li> </ul>	

<p><b>Regulation Board</b></p>	<p>provided a comprehensive application leading to our subsequent approval;</p> <ul style="list-style-type: none"> <li>its Board’s leadership and oversight on its work on governance has meant the executive team are implementing an extensive plan that will provide us with assurance that IPReg demonstrates best practice in governance;</li> <li>its approach to producing a consumer facing leaflet, including proactively reaching out to the Legal Services Consumer Panel;</li> <li>its active encouragement of innovation through its PII Sandbox;</li> </ul>	
<p><b>Solicitors Regulation Authority</b></p>	<ul style="list-style-type: none"> <li>draft Corporate Strategy for 2023-26 directly addresses the public interest;</li> <li>provides regular assurance to its Board on its performance against the LSB’s regulatory performance standards;</li> <li>improved capacity of its investigation and enforcement teams and legal staff and an increased budget for the coming year;</li> <li>identifies and take steps to address higher risk areas, such as sanctions, SLAPPs, AML and immigration;</li> <li>uses horizon scanning and risk assessments to inform revisions to</li> </ul>	<p>Our Core Regulatory Framework is clear that should any of the principles conflict, those which safeguard the public interest will take precedence.</p> <p>Please see Annex B for IPReg’s proactive self-assessment against RS3.</p> <p>We recruited for a new combined role of Compliance and Authorisations Officer and the process has been updated to provide for independent Case Examiners and open recruitment for the new independent Disciplinary and Interim Orders Panel (DIOP).</p> <p>The Risk Working Group is actively developing a new approach to risk assessment and management.</p> <p>Horizon scanning reports are made to each meeting of Board; the regulatory arrangements review</p>

	<p>rules, guidance and regulatory arrangements;</p> <ul style="list-style-type: none"> <li>• requiring its external litigation providers to help develop its own staff team’s expertise;</li> <li>• its approach and methods used on EDI where it is striving to understand the reasons behind inequalities and then introduce ways to overcome them;</li> </ul>	<p>application was accompanied by a detailed impact assessment; the compensation arrangements application was accompanied by a risk-based actuarial report.</p> <p>Specialist training is provided to staff and Board as appropriate, such as that provided to the new DIOP.</p> <p>We have allocated £10,000 towards gaining a clearer picture of the make-up of the profession and will use this work to inform our education workstreams.</p>
The Faculty Office	<ul style="list-style-type: none"> <li>• some progress in relation to the transparency of its decision-making and development of its capacity and capability, increasing its capacity and capability by procuring additional resource to help it fulfil its regulatory obligations;</li> <li>• it has a structured approach to identifying threats, risks, emerging issues and opportunities;</li> <li>• it has utilised evidence effectively, including utilising information collected as part of its diversity survey to identify priority actions to improve the diversity of its regulated community.</li> </ul>	<p>The LSB has welcomed the transparency of our decision making. As appropriate we procure additional specialist resource, such as the specialist consultant helping inform our risk work, and the horizon scanning reports to Board.</p> <p>We are actively re-developing our approach to risk assessment and management.</p> <p>We have allocated £10,000 towards gaining a clearer picture of the make-up of the profession and will use this work to inform our education workstreams.</p>

## Discussion

23. The IPReg Board is asked to provide feedback as to whether there are any items from the table provided immediately above from which we can learn from and adapt/apply, in addition to, or in tailoring, our commitments as set out in the [IPReg Business Plan 2024/25](#). In particular, whether to undertake a snapshot review against the LSCP consumer facing regulation report and reviewing the information covered by our Annual Regulatory Return

(particularly in light of any lessons learned from the thematic reviews and/or the work of the Risk Working Group).

24. Although our approach has led to a different assurance outcome to the LSB's we consider that it remains appropriate for the Board to take a forward looking view as to the level of assurance it can take from the assessment of RS3. This means that we have taken into account not just work that is underway, but also work that is planned for the future and whether that is on track.
25. The IPReg Board is asked to provide feedback on the RS3 assurance mapping including giving particular consideration to whether the proposed assurance mapping has captured all items from which the Board is given assurance or there is an expected item which is missing; and the proposed RAG rating(s) for RS3.

### **Next steps**

26. The RS3 assessment is for internal assessment purposes.

### **Supporting information**

#### **Links to strategy and business plan**

27. The evidence set out in the assurance mapping document draws from all the work we are doing as set out in the business plan and strategy.

#### **Supporting the regulatory objectives and best regulatory practice**

28. This work supports all the regulatory objectives including, to a limited extent, the new regulatory objective relating to promoting the prevention and detection of economic crime (albeit that this is not yet in force). This in the form of the economic sanctions work undertaken by the Data Working Group and referenced in our RS2 assurance mapping. Separately, the LSB has contacted all regulators in relation to the new regulatory objective and is looking to establish shared principles and expectations for delivering against this new objective.

#### **Impacts**

29. There do not appear to be any impacts on specific types of regulated persons.

#### **Communication and engagement**

30. Not directly relevant.

#### **Equality and diversity**

31. Our RS2 assurance mapping was clear that work is needed in relation to Equality, Diversity and Inclusion (EDI) and a new EDI Policy and Action Plan was approved by the 18 January 2024 Board meeting.

**Evidence/data and assumptions**

32. There are no specific issues for this paper. We continue building our evidence base and this will help to inform our approach to the new regulatory performance framework, including through thematic reviews of the new approaches to:
- a) Continuing Professional Development – random sampling to commence Q2 2024, with a report for July 2024 Board – this will be conducted/supported by an independent, external body to provide registrants with assurance of impartiality in this first round (£15,000 budgeted for this work);
  - b) Transparency – develop the approach in Q2 2024 with a view to the review being undertaken in Q3 2024, and lessons learned in Q4 2024/Q1 2025 (£30,000 budgeted for this work); and
  - c) a review of the Professional Indemnity Insurance Sandbox- monitoring through 2024 (and to be reported in our Annual Report) and a review in 2025 (£10,000 budgeted for this work).



# Intellectual Property Regulation Board (IPReg)

## Highlights

<b>IPReg</b>	<b><i>Good practice/Areas where it is doing well</i></b>	<b><i>Areas for improvement/Where we will monitor progress</i></b>
<b><i>Well-led</i></b>	<ul style="list-style-type: none"><li>▪ Implementing new governance measures and progressing its governance action plan.</li></ul>	<ul style="list-style-type: none"><li>▪ Gathering evidence about the impact of its new core regulatory framework and how it uses that information</li></ul>
<b><i>Effective approach to regulation</i></b>	<ul style="list-style-type: none"><li>▪ Ensuring Board papers clearly set out the evidence, data and assumptions in all proposals put to its Board.</li></ul>	<ul style="list-style-type: none"><li>▪ Developing its evidence base and its work on Equality Diversity and Inclusion (EDI) within the profession and on behalf of the public and consumers.</li></ul>

## Overall summary of IPReg's performance

1. IPReg has provided us with partial assurance against the two standards we assessed: Well-led and Effective approach to regulation. In respect of Well-led, this assessment reflects the fact that IPReg has work in progress in relation to its governance action plan.
2. IPReg has worked hard to build on the progress we identified last year and has introduced tangible actions to improve its regulatory activities. These should enable it to provide sufficient assurance against all three standards by the time of our next assessment.
3. Through its work over the last 12 months, IPReg has received LSB approval for a new core regulatory framework, and it continues to implement a range of new governance measures. It is making progress on its governance action plan, and we look forward to seeing it complete this work at which point IPReg should be able to provide assurance of the effectiveness of the changes. IPReg should focus on developing its evidence base and its work on Equality Diversity and Inclusion (EDI) within the profession and on behalf of the public and consumers.

## Background

4. In our 2022 annual assessment, we assessed IPReg as providing sufficient assurance against two of the previous framework's five standards (authorisation and enforcement). We considered IPReg had provided us with partial assurance against the other three standards (well-led, regulatory approach and supervision).
5. For this year's assessment, the first under our new framework, we asked IPReg to provide us with assurance about the well-led and effective approach to regulation standards. We also asked questions about its work on implementing statutory policies on consumer empowerment and ongoing competence and about authorisation and supervision, which are covered by the new framework's operational delivery standard.

6. In assessing IPReg's performance against the standards we have reviewed the information it provided, publicly available information from its website and information from our engagement over the past year.

## Assessment of IPReg's performance

7. Below we set out our assessment of IPReg's performance against the two standards we focused on this year, its progress on operational delivery matters and highlight several areas of good practice.

## Overall assessment on Well-led – Partial Assurance

8. We consider that we have **partial assurance** that IPReg meets the Well-led standard. We note that while IPReg was unable to provide sufficient assurance against this standard, there is credible work in progress in relation to its governance action plan which, once completed, may help IPReg meet this standard.
9. IPReg has provided evidence relating to this standard through its business plan and the strategic objectives it put in place in January 2023, which we have considered as part of our assessment. The overarching principles set out in its core regulatory framework also make clear how the principles that safeguard the wider public interest will take precedence where relevant.
10. IPReg has also demonstrated significant Board engagement, evidenced through:
  - leadership from a Board working group in relation to governance.
  - minutes from a Board meeting taken by an independent agency which demonstrate good levels of engagement and interrogation of relevant issues.
11. IPReg also described its work on its application to the LSB to alter its regulatory arrangements, including a detailed impact assessment and a range of engagements with the profession during the period before the new regulatory arrangements were formally implemented on 1 July 2023.
12. IPReg also provided information on the range of engagement activities with its regulated community and Approved Regulators as well as proactive engagement with the Legal Services Consumer Panel.
13. It also provided evidence of progress in meeting the LSB's consumer empowerment policy statement, including its new transparency arrangements and its work to produce consumer-facing information, including a transparency leaflet.
14. We asked IPReg about the progress made in relation to its governance action plan. It highlighted the actions completed and progress on the next phase. We note that IPReg has undertaken a governance review and introduced an updated suite of governance documents. Moreover, it has 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. IPReg rightly identified that it has more work to do in relation to ensuring that its governance systems are aligned with best practice. It also noted that it has now set up a risk working group to review its Board's approach to risk and set out its policy and procedures for

managing risk in writing. We note that IPReg has plans to consider the impact of our new regulatory arrangements through targeted thematic reviews in 2024/25.

15. One of the strategic objectives IPReg set at the beginning of 2023 was to carry out its regulatory activities in a more proactive way. IPReg provided some examples of its proactivity, including its use of an external research consultant to identify and collate regulatory intelligence and provide updates at each Board meeting and its seeking of input from the LSCP on a range of matters. We would like to see IPReg demonstrate proactivity alongside meaningful engagement with the profession and other stakeholders on a consistent basis in pursuit of the regulatory objectives in the coming year.
16. We will continue to monitor IPReg's performance as a well-led regulator and the progress of its work in this area, particularly in respect of:
  - its progress in implementing its governance action plan
  - the evidence it gathers about the impact of its new core regulatory framework and how that information will be used
  - further examples of its proactive approach to regulation

### **Overall assessment on Effective approach to regulation – Partial Assurance**

17. We consider that IPReg has provided us with **partial assurance** that it meets the Effective approach to regulation standard.
18. IPReg carried out significant work to inform its regulatory arrangements review and the subsequent alteration to its regulatory arrangements. This included engagement with the profession and other stakeholders and LSB research.
19. IPReg has also implemented a new Board paper template which is designed to ensure that evidence, data and assumptions are clearly set out in all proposals put to its Board. The new risk working group aimed at developing IPReg's approach to risk and the work undertaken by its research consultant should aid IPReg in gathering data and insights and then applying these in its work. IPReg noted that it has more to do in relation to demonstrating that it meets the required level of performance.
20. IPReg considers that it demonstrates active encouragement of innovation through its membership of the Law Tech Regulatory Response Unit and its own PII Sandbox. We consider that both are important measures to encourage innovation. However, we consider that IPReg can do more to proactively engage with innovators to help address concerns about perceived regulatory barriers to innovation.
21. IPReg provided useful information about the impact assessment that accompanied its application to alter its regulatory arrangements, its role as a signatory to the IP Inclusive Charter and the way in which consideration of EDI impact is built into its Board papers. However, it accepts that it is yet to develop its own EDI policies and evaluation schemes and it needs to gather further diversity data (which will be consulted upon before being collected). We expect to see IPReg make progress on EDI over the coming year.
22. As part of our monitoring of IPReg's performance against this standard over the coming year, we look forward to seeing:
  - updates on IPReg's data/evidence gathering and the use of its evidence base
  - insight into its progress on EDI

- additional information demonstrating how IPReg actively encourages innovation and innovators in the interests of improving access to services.

## **Operational delivery**

23. This standard was not a focus of our assessment this year. However, we asked targeted questions to test IPReg's progress over the past year on relevant work to address performance weaknesses we had previously identified.
24. IPReg provided an update on its plans to review its Accreditation Handbook and its competency frameworks for both Patent and Trade Mark Attorneys in its forthcoming business plan.
25. The information provided sets out IPReg's intention to make use of lessons learnt from its current accreditation work and to make use of Board expertise.
26. As part of our monitoring of IPReg's performance against this standard over the coming year, we will look forward to seeing:
  - tangible progress on its reviews
  - its use of evidence obtained through the supervision of its new regulatory arrangements to ensure authorised persons have and maintain the right skills, knowledge, behaviours and professional ethics in their practise.

## **Good practice**

27. We consider that IPReg has demonstrated the following good practices which align with our expectations of a well-run regulator:
  - It engaged early with us on its substantive application to alter its regulatory arrangements and provided a comprehensive application leading to our subsequent approval.
  - Its Board's leadership and oversight of its work on governance has meant the executive team are implementing an extensive plan that will provide us with assurance that IPReg demonstrates best practice in governance.
  - Its approach to producing a consumer facing leaflet, including proactively reaching out to the Legal Services Consumer Panel.
  - Its active encouragement of innovation through its PII Sandbox.

## Board Meeting 14 March 2024

### Information Paper: Risk Working Group Update

#### Agenda Item: 6

**Lead Board Member:** Victor Olowe, Chair of Risk Working Group

**Author:** Victoria Swan, Director of Policy ([victoria.swan@ipreg.org.uk](mailto:victoria.swan@ipreg.org.uk))

*None of the Annexes are for publication: Annex A is a work in progress; and Annexes B and C are notes of the most recent meetings.*

#### The Risk Working Group

1. IPReg's comprehensive governance review informed the decision made by the IPReg Board to establish a dedicated working group to develop a good practice approach to risk management. The group was established with the intention of supporting the Board's aim to have a bolder risk appetite in order to support its desire to encourage innovation in the provision of IP legal services. The Risk Working Group (RWG) is a working group of IPReg Board members whose work programme includes:
  - Developing a risk policy;
  - Considering what improvements could be made to the identification, assessment, management and oversight of risk;
  - Developing a set of procedures for the Board to use to enhance its oversight of risk including consideration of the frequency of oversight and the approach to internal and external reviews of oversight;
  - Considering wider good practice in relation to risk, which it may be helpful and proportionate to adopt.

The RWG reports to Board, it does not have delegated authority of its own.

2. The RWG is chaired by Victor Olowe, and its members are Justin Bukspan, Sam Funnell, and Samantha Peters with executive attendance of Fran Gillon, Shelley Edwards, Victoria Swan and Benedict Newman.
3. The RWG first met on 1 September 2023, and has met 4 times since, on 5 October 2023, 13 December 2023, 11 January 2024 and 14 February 2024. The January and February meetings were attended by Jonathan Orchard, an independent risk specialist from Sayer Vincent who is providing us with critical friend input and challenge.
4. This paper seeks to provide an overview of the activities and outputs of the Risk Working Group to this point, to introduce the current list of risks (Annex A) and set out the next steps.

## Recommendation(s)

5. The Board is asked to note the:
  - a. Progress made by the RWG and provide comments on the current list of risks (Annex A);
  - b. Notes of the most recent meeting of the RWG (Annex B) including the proposed next steps.

## Overview of Progress

6. Defining the group's role and aims: the group reviewed its key responsibilities as set out in the proposed draft terms of reference (ToR), and identified the following as likely building blocks of a risk policy: risk definition, risk appetite/culture, risk identification, risk assessment, risk management, risk oversight, risk governance, risk reporting, risk monitoring (including KRIs), risk glossary.
7. Horizon scanning: the group considered good practice documents and agreed it was preferable to have a single comprehensive and coherent policy in order to promote consistency of approach and to ensure embedding of risk in all that we do.
8. Defining risk: the horizon scanning/benchmarking exercise identified a number of definitions of risk including examples of a revised register and the risk policy from the Information Commissioner's Office (ICO). The group created its own definition of risk based upon an amalgamation of other definitions: 'Risk is the effect of an uncertain event or set of events on the achievements of objectives'.
9. Differentiating types of risk: in the first instance, the group looked at risks to the 3 Strategic Objectives of IPReg and the organisation as a whole, creating a long list of risk examples, differentiated into the risk types as applied by the [UK Government's Orange Book: Management of Risk - Principles and Concept](#): strategy, governance, operations, legal, financial, people, technology, data and information security, project/programme, reputational, social and environmental.
10. Consolidating the risks: the group consolidated the longlist of 49 risk examples into 14 potential risks, which in turn are differentiated into strategic and operational, and tentatively framed into high (4 items), medium (6 items) and low risk (4 items). The current consolidated shortlist of risks is provided as an Annex A. The Sayer Vincent advice is that a scientific formula based approach to risk scoring, such as rating against likelihood and severity, has the potential to distract, and a simpler grading system of high, medium and low, may be better suited to IPReg and its focused list of risks. Any initial thoughts of the Board on this simplified approach are welcome.

## Next steps

11. The plan is to map the shortlist of risks (Annex A) across to proposed controls (what's in place already and what's required in the future (if anything)). This then leads to a High/Medium/Low risk assessment - and some broad framing of what we mean by H/M/L, if different from the tentative framing in the current document - and the direction of travel. This effectively creates a draft IPReg Risk Register. This will be reviewed by the 3 April 2024 meeting of the RWG.

## Board Meeting 14 March 2024

### Complaints Update

#### Agenda Item: 7

**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
<b>Financial</b>	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.
<b>Legal</b>	[REDACTED]	[REDACTED]
<b>Reputational</b>	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.



<b>Resources</b>	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 07.03.24

- Total open cases 9
- Cases opened since last meeting 2
- Cases closed since last meeting 0
- Change (from last meeting) +2

Year to date (from 1 January 2024)

- Total cases received 2
- Total cases closed 0

### Legal Ombudsman

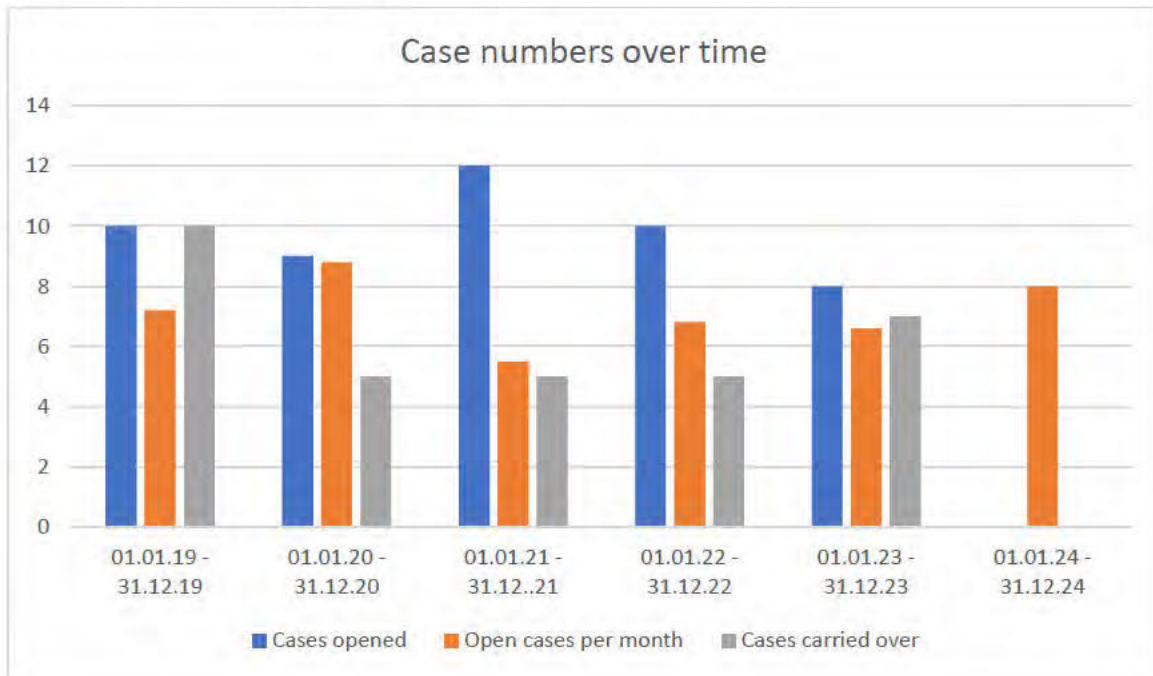
- Complaints received in last month 0
- Cases open 0

### Timeliness

- Oldest open case 175 weeks (3y 19w)

Newest open case 2 weeks  
 Mean 41 weeks  
 Median 31 weeks

## Analysis and trends (12 month periods)

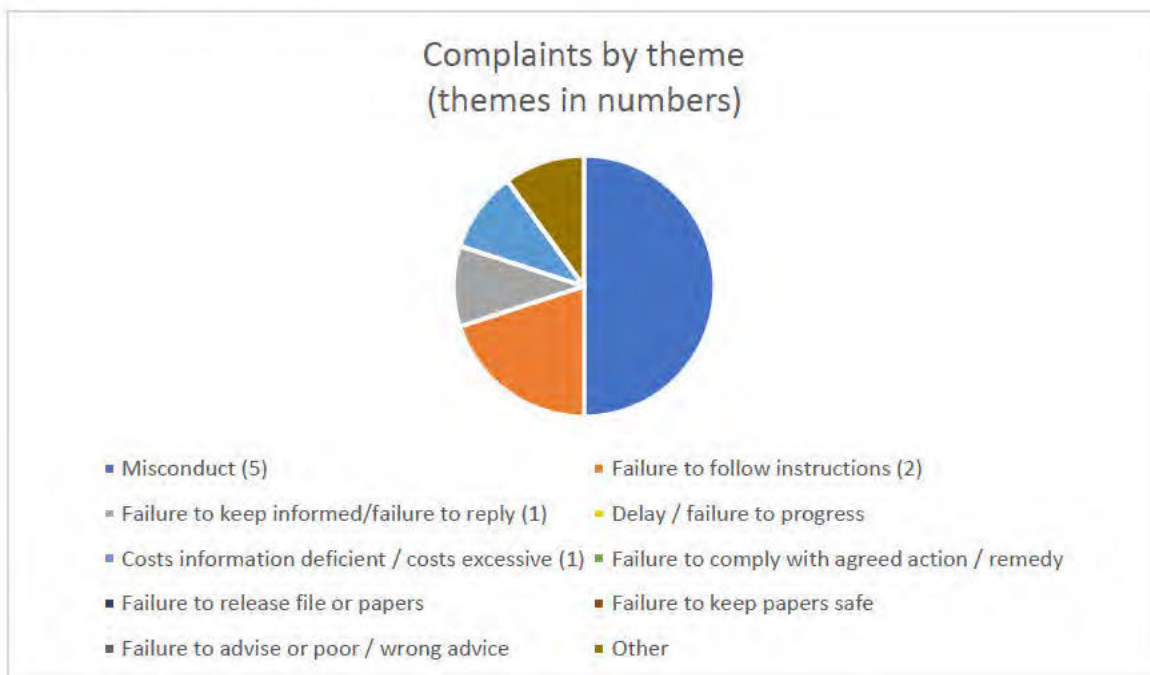


	01.01.19 – 31.12.19 (4 cases carried over from previous period)	01.01.20 – 31.12.20	01.01.21 – 31.12.21	01.01.22 – 31.12.22	01.01.23 – 31.12.23	01.01.24 – 31.12.24
New cases opened / received	10	9	12	10	11	2
Total open cases during period	14	19	17	16	17	9

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

**March 2024 Board meeting**

**Item 9 – review of compensation arrangements**

The following is the text of a request received from the LSB at 7.37pm on Wednesday 6 March for additional information about our rule change application. This is in addition to the draft application process that we went through before submitting the formal rule change application. The email from the LSB required a response by noon on Tuesday 12 March. Given the significant volume of information required and the need to get actuarial advice on the response, we have said that we will try to submit the information by noon on Thursday 14 March but that this might not be possible.

The full [rule change application](#) is on the LSB's website. The confidential actuarial report was also submitted to the LSB with the rule change application.

An oral update will be provided at the Board meeting.

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**IPReg – Application to alter regulatory arrangements for its Compensation Fund**

The table below identifies additional queries, the responses to which, will aid the LSB's assessment of the application against the refusal criteria under Schedule 4 of the Legal Services Act 2007.

**The LSB has told IPReg that we cannot publish the LSB's information request (or IPReg's response to it) because the correspondence is restricted information in accordance with s167 of the Legal Services Act. IPReg is in discussions with the LSB on this matter.**

[REDACTED]

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## Board Meeting 14 March 2024

### Waiver application

#### Agenda Item: 10

**Author:** Fran Gillon, CEO ([fran.gillon@ipreg.org.uk](mailto:fran.gillon@ipreg.org.uk))

#### This paper is for decision.

*Annex A to this Board paper will not be published – commercially confidential information.*

#### Summary

1. This paper sets out the details of an application from **Firm A** to be admitted to the trade mark register. Firm A has been on the patent register since 2013. Firm A wants to provide trade mark attorney work to its clients. It proposes to do this through its trade mark attorney employee (**Person B**) who qualified in 2015 and has been on the trade mark register since 2017. IPReg's regulatory arrangements require a firm that provides trade mark attorney work to have a manager<sup>1</sup> who is a trade mark attorney. Firm A does not currently want to make Person B a director (for reasons set out in the confidential application at **Annex A**) and so has applied for a waiver of this requirement.
2. The details of the waiver request at Annex A are commercially confidential, but it sets out:
  - a. Facts about Firm A and its management;
  - b. The history of Firm A, details about the attorneys who work there and their experience;
  - c. Details about the experience of advisors to Firm A;
  - d. Firm A's business plan: services offered; client base; practice management; new service initiatives; trade mark services that it wants to provide; future changes to firm management and structure;
  - e. The approach to recruitment, whether to have a director or an employee trade mark attorney including IR35 issues;
  - f. Impact of its proposal on the Legal Services Act's regulatory objectives.
3. Although the power to grant waivers has been delegated to the CEO, this is a novel and potentially controversial waiver and it has therefore been referred to the Board for decision.

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<sup>1</sup> LSA s207: manager", in relation to a body, means (subject to subsection (5) [power of the Lord Chancellor to amend the definition of manager]) a person who: (a) if the body is a body corporate whose affairs are managed by its members, is a member of the body; (b) if the body is a body corporate and paragraph (a) does not apply, is a director of the body; (c) if the body is a partnership, is a partner, and (d) if the body is an unincorporated body (other than a partnership), is a member of its governing body.

4. This paper sets out the various options that we have considered. Our view is that in the particular circumstances of this application, granting the waiver is the most appropriate way to meet the regulatory objectives of: improving access to justice, protecting and promoting the interests of consumers, promoting competition in the provision of legal services. Granting the waiver application is likely to have no impact on the other regulatory objectives.

## Recommendation(s)

5. The Board agrees to the waiver request, subject to the following conditions being placed on Firm A's entry onto the trade mark register:
- a. Firm A notifies us immediately if Person B leaves;
  - b. Firm A notifies us immediately if there is any change to the current arrangements to ensure that trade mark specific aspects of the firm's work are properly considered in its commercial strategy;
  - c. We undertake a review in 2 years' time (March 2026) to see how the arrangement is working in practice.

## Risks and mitigations

	Risk	Mitigation
<b>Financial</b>	There are no specific financial risks.	N/A
<b>Legal</b>	[REDACTED]	[REDACTED]
	[REDACTED]	

<b>Reputational</b>	It is likely that CITMA will be concerned about a decision to waive the requirement to have a trade mark attorney manager. It may consider that such a decision sets a precedent that could damage the trade mark attorney profession in that, over time, the need for qualified trade mark attorneys could be reduced and/or individuals will qualify as solicitors rather than trade mark attorneys.	Any decision to waive a requirement has to be considered on a case by case basis, taking into account the individual circumstances of the application. The decision in this case does not therefore set a precedent, albeit that other firms on the patent register may decide for commercial reasons that they want to apply as well. We can explain the decision and the non-confidential background to CITMA (and CIPA), in particular the Board's consideration of Person B's experience.
<b>Resources</b>	No additional resources are required.	N/A

## Background

### *IPReg's regulatory arrangements*

6. Paragraph 2.1 of Chapter 2 of the Core Regulatory Framework (the Code of Conduct) provides that a regulated person may only undertake work that is within their (or its) expertise and competence.
7. Paragraph 2.1.1 of Chapter 3 of the Core Regulatory Framework (Admission and Authorisation Requirements) provides that, other than for a licensable body, at least one manager or partner of that body is a UK-registered patent attorney or trade mark attorney as appropriate.<sup>2</sup>
8. One purpose of the requirement to have a trade mark attorney manager within a regulated trade mark firm is to ensure that the requirements only to undertake work that is within their (or its) expertise or competence can be met. A regulated or licensed firm is not a sentient being. It cannot, without its directors or partners who are its controlling mind, do any trade mark attorney work, competent or otherwise. There is a question as to whether a trade mark attorney firm can comply with this regulatory requirement if none of its directors are registered trade mark attorneys. In the case of Firm A, the proposal is that this requirement will be met by Person B who has an influence from a trade mark perspective on the firm's policies, business plans and budget.
9. Another purpose is that a trade mark attorney manager can provide an appropriate level of supervision of trade mark attorney work in the event that there are one or more trainees or newly qualified attorneys in a firm. A manager is able to supervise the work of junior colleagues to ensure that it is undertaken to an appropriate standard. This also applies to identifying specific competence requirements for those individuals and ensuring that they undertake appropriate continuing competence activities. In the case of Firm A, the proposal is that Person B (who qualified in 2015 and has been on the register for since 2017) would provide all

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<sup>2</sup> In practice, we impose the same requirements on a licensable body, even though the LSB only requires one manager in an ABS to be an authorised person (Schedule 11, paragraph 9(2)).

the trade mark advice. Person B trained at a very large, regulated IP firm and has also practised in another firm where they supervised trainees.

10. Another purpose is to provide the public, and more specifically clients of the trade mark practice of the firm, with confidence that the affairs of the trade mark practice are adequately and appropriately conducted. Our policy has been that this is achieved by the practice being led by a regulated attorney with influence and control of the practice by virtue of their ownership or management of the firm as a whole. As the trade mark practice is not conducted by a 'mere employee' but rather a director or partner within the corporate structure, there is a degree of assurance that the trade mark side of the practice will continue to be appropriately resourced and developed for the benefit of the client. As above, in the case of Firm A, the proposal is that this requirement will be met by Person B who has an influence from a trade mark perspective on the firm's policies, business plans and budget.

#### *IPReg's approach to waivers*

11. IPReg's SOP sets out the following non-exhaustive factors that it will take into account in coming to a decision on a waiver application:

- a. The impact on the regulatory objectives.

This is considered in the main text of this document – see paragraphs 17 – 19 of this document;

- b. The previous regulatory history of the applicant, including whether they have previously demonstrated an inability or unwillingness to comply with IPReg's regulatory arrangements or requirements.

There is no history of complaints against Firm A or Person B. Firm A's owner has been cooperative and responsive throughout our discussions on the different approaches that could be adopted and has demonstrated a strong desire to reach a solution that achieves his desired outcome which complies with his, Firm A's and Person B's regulatory obligations.

- c. Whether the applicant has previously sought a waiver for exemption from the same or similar regulatory arrangement or requirement.

This is the first time this type of waiver has been requested by any firm.

- d. The extent to which the reason for the waiver is due to an avoidable act or omission by the applicant.

The reason for the waiver has not been caused by an avoidable act or omission by the applicant.

- e. Whether there are any other reasonable steps the applicant can take in order to comply with the relevant regulatory arrangement or requirement.

This concerns whether the applicant can reasonably comply with the regulatory arrangements without needing a waiver. See discussion at paragraphs 12 – 14 of this document.

- f. The extent to which the applicant can satisfy the objective of the regulatory arrangement or requirement in question in another way.

This concerns whether there is a different (perhaps less radical) waiver that could be granted. See discussion at paragraphs 12 – 14 of this document. .

## Options and discussion

12. We have considered different options with Firm A and have discussed within the Executive Team. These are discussed below:

- a. Make Person B a manager.

Firm A is a private limited company and could make Person B a director in order to satisfy IPReg's regulatory arrangements.

- Firm A has concerns about the complexity of this suggestion in terms of its current commercial strategy. Further details are set out in paragraphs 1.3.1 and 4.6.4 of Annex A.
  - In practice, if Person B was a director of Firm A, the trade mark work they undertook would not be supervised by anyone. There does not seem any obvious practical reason for requiring Person B to be made a director in the particular circumstances of this application.
- b. Person B resigns as an employee and works as a consultant to the firm doing all its trade mark attorney work.
    - A consultant would have less influence on how the firm developed its business model and whether the firm was complying with IPReg's regulatory arrangements from a trade mark perspective;

- This approach would mean that Person B would not be providing trade mark attorney services “in private practice” because Firm A is not a regulated trade mark attorney practice. So Person B would have to practise as a sole trader. This could introduce additional complexity for consumers. A consumer might have to contract separately with Person B but would at least need to understand that Person B was not an employee of Firm A. It would also cause additional cost for Firm A and Person B in terms of practising fees and ensuring that the arrangements were made clear to clients who wanted trade mark advice. It would also mean that Person B would have to obtain their own PII (unless they could be included in Firm A’s PII policy);
  - Person B would only work for Firm A as a consultant and this could cause problems with HMRC’s IR35 regulations.
- c. Firm A remains on the patent register only but undertakes unreserved trade mark work using Person B (who is on the trade mark register).
- While this would not be in breach of IPReg's regulatory arrangements, it could potentially cause confusion for consumers who are unlikely to understand the difference between reserved and unreserved legal activities. If a client searched our trade mark register for Firm A, they would not be able to find it. However, Firm A would be assuring them (correctly) that they could provide them with trade mark advice;
  - Firm A would not be on the trade mark register but would remain regulated by the PRB. In the event that we received a complaint about Person B, we would still have jurisdiction over them (through the TRB because they are an attorney on the trade mark register). We would also have jurisdiction over Firm A through the PRB. So the drafting of any disciplinary proceedings might be more complex (in order to avoid jurisdictional challenge) but there should not be any reason that we cannot act in the event of a complaint. Nevertheless, the matter would be clearer if Firm A was on both registers;
- d. Firm A refers its clients who need advice on trade marks to another firm that is on the trade mark register.
- This would be compliant with our regulatory arrangements because the other firm would have a manager who is a trade mark attorney (there have been no previous waiver requests);
  - It would mean that Firm A was not able to charge its client for trade mark work and would therefore be at a commercial disadvantage;

- Firm A's clients would be inconvenienced by having to instruct two firms, including provision of KYC information twice;
  - Person B's employment with Firm A is in jeopardy as it would appear his role would be redundant.
- e. Agree to the waiver request with conditions.
13. We consider that it would be appropriate to impose some conditions on Firm A's registration on the trade mark register if we grant the waiver. These are targeted at the key risk which is that Person B may leave (in which case we would want to understand more about whether/how trade mark work would continue) and/or if Person B is no longer a party to the firm's decision-making processes (in which case we would want to understand how the regulatory requirements for trade mark work were being taken into account). The conditions would be:
- a. Firm A notifies us immediately if Person B leaves. This could lead to the withdrawal of the waiver if equivalent arrangements were not put in place;
  - b. Firm A notifies us immediately if the current arrangements to ensure that trade mark specific aspects of the firm's work are properly considered (whereby Person B is part of Firm A's decision making processes) change. This could lead to the withdrawal of the waiver depending on the nature of the change;
  - c. We review the way in which the waiver is working in practice in two years' time (i.e. March 2026). This may not be required if a trade mark attorney director is appointed in the medium term.
14. For completeness, we also considered whether the approach would be different if a firm on the trade mark register applied to be admitted to the patent register if they did not have a director who was a patent attorney. Our current view is that we would want to explore the same issues that have arisen in this case.

### Next steps

15. Head of Registration to notify Firm A of the Board's decision.

### Supporting information

#### Links to strategy and business plan

16. Granting this waiver is consistent with our strategic objective to carry out our regulatory activities proactively, effectively and inclusively, ensuring the efficient use of resources by (amongst other things) encouraging innovation and competition in the provision of regulated IP

services. This will be an innovative business model and one that, if successful, could lead to policy and rule changes in relation to the governance of registered and licensed entities.

### **Supporting the regulatory objectives and best regulatory practice**

17. Access to justice – There are 132 trade mark or patent and trade mark firms registered in the UK, of which only 13 have a registered or office address in Scotland. In Scotland there are 22 trade mark attorneys in private practice, of which 15 work in five firms. There are also 2 trade mark single attorney firms. In contrast, there are 86 patent attorneys in private practice in Scotland, 10 single attorney firms and 2 sole traders. There may therefore be unmet legal need for trade mark legal advice and granting a waiver to Firm A could help to reduce this.
18. Consumer protection – PAMIA has confirmed that it does not place any restriction on the work that a firm can undertake based on which register the firm and/or owners/directors are on. Firm A would therefore be fully covered if it provides trade mark services through a trade mark attorney who is not a director. Consideration of the potential for consumer confusion has been taken into account (see paragraph 12) and the recommendation to approve the waiver request should minimise the potential for that.
19. Competition – the proposal may lead to increased competition in the provision of trade mark legal services. Firm A has set out in Annex A (section 4.2) details of its client base. Its website also sets out its particular approach to SMEs and its pricing model. Removing what in this case might be deemed a regulatory barrier to an innovative practice model where there is no evidence that to do so would cause consumer detriment, could lead to more entities adopting similar models and increase competition and consumer choice.
20. The recommendation to approve the waiver request is consistent with the better regulation principles:
  - a. Transparent – although we will not publish the actual application because it is commercially confidential, this paper sets out the high level details of what the Board considered. This means that anyone reading this paper will understand what the Board took into account to reach its decision;
  - b. Accountable – we will publish this Board paper and information will be available on our website and the trade mark register. The proposed review in two years' time provides additional accountability in terms of assessing the impact of the waiver in practice;
  - c. Targeted only at cases in which action is needed and proportionate. The proposed conditions to notify us in the event of changes are targeted at the potential for consumer detriment if Person B leaves Firm A or is no longer able to influence its day to day business strategy. They are proportionate in terms of not (for example) imposing regular reports from Firm A when there is no evidence that these are needed;



- d. Consistent – the proposed approach to grant the waiver is consistent with our overall approach to regulating in a way that encourages innovation in the provision of legal services and responding positively to suggestions as to how this could be done.

## **Impacts**

- 21. If granted, this one waiver is unlikely to have any impact on a specific group of attorneys. However, it may generate interest from other firms who want to innovate in the way they provide services to their clients. In terms of the impact on the trade mark profession more widely (which is likely to be CITMA’s concern), it seems unlikely that this will have a widespread impact. Firms are likely to see the benefits of offering trade mark advice – whether by a trade mark attorney or a solicitor. Our view is that the regulatory objective of improving access to justice should be considered neutral as to the qualifications of the lawyer providing the legal advice.

## **Communication and engagement**

- 22. If the waiver is granted, we will publish non-confidential details on the website in the same way as other waivers. We will also note the waiver on Firm A’s entry on the trade mark register.

## **Equality and diversity**

- 23. There are no specific EDI considerations.

## **Evidence/data and assumptions**

- 24. The data has been set out in this document and has been obtained from the CRM.

## Board Meeting 14 March 2024

### CEO report

#### Agenda Item: 12

**Author:** Fran Gillon, CEO ([fran.gillon@ipreg.org.uk](mailto:fran.gillon@ipreg.org.uk))

#### This paper is for discussion.

The following Annexes will not be published: Annex D – summary report of published document, and Annex E (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. Agree to the In2Science request to fund its IP Scholars 2024 programme by providing £10,000 support (see paragraph 13).

#### Risks and mitigations

	Risk	Mitigation
<b>Financial</b>	No specific financial risks	N/A
<b>Legal</b>	████████████████████	███
<b>Reputational</b>	No specific reputational risks.	N/A
<b>Resources</b>	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.

#### Progress on the 2024 Business Plan

5. Although the Board receives regular updates on our work through the Board papers on specific policy areas and business as usual, one of the suggestions from the governance review was to provide specific updates on progress against the business plan. I have therefore drawn out the

main areas of work set out in the 2024/25 plan and updated them – **Annex A**. These are the areas of work over which we have control; I have not included the work involved in responding to the LSB's consultations and related work, or our business as usual activities.

## **Board member interviews**

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

## **Meetings**

### *CIPA and CITMA*

7. The 3 CEOs met on 2 February and 28 February. They discussed:

- a. Apprenticeships;
- b. IPReg Board recruitment;
- c. IPReg Articles of Association;
- d. Compensation fund consultation;
- e. LSB performance framework decision;
- f. LSB all Chairs meeting on 22 February.

8. The agenda for the Regulatory Forum on 8 March included:

- a. LSB oversight - regulatory performance framework – LSB assessment;
- b. IPReg Articles of Association – advice from Kingsley Napley;
- c. New regulatory objective: promoting the prevention and detection of economic crime – discussion about impact/approach;
- d. Artificial Intelligence – opportunities for collaboration;
- e. Red risks – update from IPReg;
- f. Recruitment of new IPReg Board members (from 1 April 2024): one patent attorney + one trade mark attorney.

### *LSB engagement*

9. At the relationship management meeting on 21 February we discussed:

- a. Regulatory performance framework;
- b. IPReg compensation fund consultation;
- c. Possible consultation on changes to MTCs resulting from PAMIA policy changes;
- d. LSB Project updates;
- e. IPReg Board updates.

10. Justin Bukspan and the CEO attended the LSB's All Chairs meeting on 22 February which discussed:

- a. Legal Needs survey 2023 – very high level at this stage; took place in mid-October to November 2023; 17,500 adults interviewed. Of these – *provisional* figures show: 57% experienced a legal need involving a contentious matter (up 4% on 2019 survey); unmet contentious legal needs increase to 36% (up 5%); around 14% are searching for prices/online reviews (slight increase); 88% overall are satisfied with their legal adviser (up 4%). Key factors:
  - We shouldn't assume that the unmet legal need is automatically due to lawyers being too expensive;
  - Perception of costs that could be a barrier, not the actual cost;
  - Lots of people think that legal services are a lot more expensive than they are;
  - The ethnic background of people surveyed has not made much statistical difference to the overall results.
- b. Ethics - misuse of NDAs and SLAPPs;<sup>1</sup> Post Office Horizon scandal. Can't say whether there has been an increase in unethical behaviour, or increased reporting or decreased tolerance; increased reporting is a positive sign; pressure on in-house teams; the need for each lawyer to take responsibility for ethical behaviour; the need to use legal remedies (e.g. NDAs) ethically.
- c. Artificial Intelligence (AI) – smaller law firms are behind the curve – need guidance on use of generative AI; unbundling of legal services may take place more quickly – but doesn't help the digitally excluded and problems with AI hallucinations; use needs to be transparent; the lawyer is responsible for the use of AI; legal technology apprenticeships are being developed.
- d. IGRs – LSB to undertake 5 year evaluation. Views on the effectiveness of the IGRs tended to split along representative/regulatory lines; end result may be that the roles of each body may be more clearly defined.

#### PAMIA

11. We met PAMIA on 1 February and discussed:

- a. Changes to the number of claims – these have dropped significantly;
- b. Changes to PAMIA's terms of cover – see agenda item 11;

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<sup>1</sup> On 28 February, the LSB published a [summary report](#) of the findings from its Call for Evidence which ran between May and July 2023.

- c. Increased awareness of the need for run-off cover;
- d. IPReg 2024 fee collection process;
- e. Changes to the PAMIA Board;
- f. Increasing coverage of ABS firms;
- g. PII for firms based outside the UK;
- h. New regulatory objective to promote the prevention and detection of economic crime.

### *In2Science – update and request for funding*

12. In2Science has published its IPReg 2023 case study – see **Annex B**. I had a meeting with In2Science on 26 January. We discussed:

- a. Applications have significantly increased: from ~1700 for 650 placements in 2022 to 3500 for 788 placements in 2023. Some of the reasons might be: expanded outreach; increased presence in different regions including Scotland and Wales; cuts in local authority schemes so schools are promoting In2Science;
- b. Ambition to have >1,000 placements in 2024;
- c. Very positive – and increasing – participation from the IP community including: participation by 7 IPReg-regulated firms; CIPA vlog and magazine; IP Inclusive blog and Careers in Ideas. Starting to see young people from placements now with PhDs interested in IP careers;
- d. US pharma and tech companies with UK presence providing support grants;
- e. Essex, Lancaster and Liverpool universities now participating;
- f. The [Operational Research Society](#) is a new partner and the focus it provides on maths is very welcome.

13. In2Science has submitted a request (**Annex C**) for IPReg to continue to support its IP Scholars programme in 2024. It has requested £10,000 funding – this is the same amount as 2023 and the money will provide young people with work placements in a STEM environment. The application from In2Science states that 95% of young people participating in the programme progress to study a STEM degree at university. In terms of the 2023 student cohort:

64% received free school meals, 80% had no family history of higher education, 81% were Black, Asian or other minority ethnicity and 67% were female.

## *Conferences/webinars attended by Team and Board members*

14. Legal Service Consumer Panel (LSCP) workshop on 24 January: Consumer Focused Regulation. The CEO attended this workshop online. It discussed:

- a. LSCP consumer focused regulation research (LSCP);
- b. Supporting regulators with implementation, collaboration, consumer research, transparency (LSB);
- c. BSB case study;
- d. Ensuring leadership considers consumer perspectives; what can be done differently in future and steps needed to do this.

15. Team members attended the LSB's Reshaping Legal Services conference on 7 March. The IPReg Chair was a panellist. An oral update will be provided at the meeting.

## **Regulatory Performance**

16. We sent our response to the LSB on 11 December 2023. The LSB's final decision was received on 16 February 2024 and is considered in a separate paper at this meeting (see agenda item 5).

## **Waivers**

17. PII Sandbox – no applications have been received.

18. There have been two hardship waiver requests so far during the fee collection process, both of which were granted.

19. Waiver from requirement to have a trade mark attorney manager – see agenda item 10.

## **Artificial Intelligence**

20. On 15 February, the Secretaries of State at DSIT and MoJ published [a letter](#) that was sent to the LSB on 1 February asking it to publish an update by 30 April, outlining its strategic approach to AI and the steps it is taking in line with the expectations in the White Paper. The letter states: *The White Paper proposed that we will leverage the expertise of our regulators to implement the five principles underpinning the framework. We indicated that we would expect the UK's regulators to interpret and apply these cross-cutting principles to AI use cases within their remits, allowing AI to be regulated in a targeted, context-specific and coherent manner across the economy.* This is very much in line with our [response](#) in September 2023 to the LSB's consultation on proposed guidance on technology and innovation in which we said: *To meet*

*[the aim of having one set of regulatory/statutory requirements for legal services regulators to consider when deciding how to promote innovation and technology] in our view there would be merit in considering whether the principles and guidance set out in the Government's White Paper on a pro-innovation approach to AI regulation (which will apply to the regulated legal sector) could be applied more widely to other forms of technology in the regulated legal markets without the need for the additional statutory guidance and regulatory outcomes proposed by the LSB.*

21. The other regulators that received letters are Ofcom, the Information Commissioner's Office, the Financial Conduct Authority, the Competition and Markets Authority, the Equality and Human Rights Commission, the Medicines and Healthcare Products Regulatory Agency, Ofsted, the Office for Nuclear Regulation, Ofqual, the Health and Safety Executive, the Bank of England, and Ofgem.
22. On 6 February, the Government published its [response](#) to the AI Regulation White Paper consultation. A summary of the response, prepared by the Director of Policy, is at **Annex D**.

#### Horizon scanning and research

23. The External Market Update report is at **Annex E**.

#### Contracts (commercially confidential information about contracts will be redacted)

24. I have renewed the licence agreement on the office with OSiT for further 6 months from 1 April 2024. Five months will be at the current rate (£█████ inc. VAT and services) with a sixth month at 50% of the licence fee (£█████ inc. VAT and services). OSiT hope to be able to find a smaller office for us from October (monthly total including services of £█████ + VAT) but has agreed that if we end up staying in the current office, they will not increase the price from its current rate.
25. We are in the process of transferring the running of our payroll services to our auditor (Griffin, Stone & Moscrop) at an annual cost of £█████ (inc. VAT). This follows the decision by our previous service provider (Sawin & Edwards) to stop providing this service (annual cost £█████ inc. VAT) at the end of this financial year and a quote from the current end provider of those services (Azets) of £█████ inc. VAT a year. We also asked another provider to quote, but they did not respond.
26. With the Chair's agreement, I have put in place a contract with [Harwood HR](#) for retained HR support at an annual cost of £█████ (inc. VAT). This follows a recommendation from the external employment lawyer we have used previously. Harwood will provide: an annual audit and update of existing employment documentation to comply with changes in legislation; remote HR advice and guidance via telephone and email (on-site attendance is available at an additional fee of £█████ (inc. VAT) an hour); preparation of template employee documentation and updating of documents in line with legislative changes; preparation/review of documentation in support of HR issues or activities undertaken.

## Other matters

### *IPReg Finance Report*

27. Please see agenda item 16.

### *Legal Services Consumer Panel (LSCP)*

28. The LSCP has written to the CMA expressing its concern about the lack of progress that regulators are making on developing quality indicators to help consumers compare legal services providers (**Annex F**).

29. [Tom Hayhoe](#) has been appointed as the [next Chair of the LSCP](#). He succeeds Sarah Chambers who steps down on 1 May after two three-year terms.

### *Justice Select Committee – Regulation of the legal profession*

30. No update as of 6 March 2024.

### *Diversity survey*

31. We are in the process of obtaining quotes. An oral update will be provided at the meeting.

### *Press reports and other published information*

32. This [article](#) about the Appeal Court's decision on representation in the action brought against Marks & Clerk that alleges it overcharged clients by operating a 'secret commissions' scheme with CPA Global.

33. A [press report](#) on the LSB's published [summary report](#) of its call for evidence on the misuse of NDAs; see also Annex E.



**CEO report March 2024 – Annex A – update on 2024/25 business plan**

Education			
Policy area	What we said we'd do	Timescale	Progress/plans to date
Overall risk rating = red			
Barriers to entry	It is likely that this project will start formally with a Call for Evidence	Q1 or Q2 of 2024.	Discussion with Katerina Kolyva 6 March
Barriers to entry	Review the Competency Framework - patent	As part of barriers to entry project	Discussion with Katerina Kolyva 6 March
Barriers to entry	Review the Competency Framework – trade mark	Links to work on patent competency framework. Need to ensure consistency where appropriate and also reflect the requirements of the new Core Regulatory Framework	Discussion with Katerina Kolyva 6 March
Accreditation recommendations	Working with providers to ensure that accreditation recommendations are taken forward	As necessary in 2024/25	PEB provided an update to Diversity and Education Officer on 10 January 2024 – see agenda item 8(b) of this meeting
New providers	Working with providers to ensure that online delivery of courses and examinations meets the required standards	During 2024/25	Discussions were held with one potential entrant in 2023, no further progress to date
New qualification pathways	Working with stakeholders and potential providers to encourage new qualification pathway options	During 2024/25	Likely to be included in barriers work. CIPA VP wants to drive forward apprenticeships
Reaccreditation	We will continue to undertake reaccreditation assessments (typically every 5 years) of qualification providers	During 2024/25	Recruitment for assessors for PEB foundation accreditation underway
Impact of EQE changes	Consider the outcomes of the European Qualifying Examinations Modernisation Discussions and Proposals and the extent to which any changes	During 2024/25	EPO approved changes on 20 December 2023. Will be introduced in 2025

	impact on our qualification requirements (e.g. in relation to exemptions).		
Review Accreditation Handbook	Start a review of the Accreditation Handbook	During 2024/25	Not yet commenced.

Thematic Reviews			
Policy area	What we said we'd do	Timescale	Progress/plans to date
<b>Overall risk rating = green</b>			
Continuing competence	Conduct random sampling of attorneys' records or other material to assess how well the new requirements have been embedded and identify any barriers to compliance with them.	Q1 or Q2 2024 conduct review  July 2024 – report to Board on the findings and lessons learned	Consideration of external support to conduct the sampling and review
Transparency	Develop our approach and conduct the review	Q2 2024 develop our approach Q3 2024 conduct the review Q4 2024 or Q1 2025 report on findings	
PII Sandbox	We will monitor closely how the sandbox is working throughout 2024 and report on it in the Annual Report for 2024. A wider thematic review is likely to be conducted in 2025 once the sandbox has been operational for at least 18 months, depending on the nature and extent of applicants and entrants.	2025 – but depends on nature and extent of entrants	

Building our evidence base			
Policy area	What we said we'd do	Timescale	Progress/plans to date
<b>Overall risk rating = green</b>			
Data and evidence gathering	In addition to the data and evidence gathering work that we plan to undertake for the thematic reviews on continuing competence and transparency, we will continue to gather data and evidence about the nature of the IP legal sector.	Ongoing with support from external adviser	Ongoing

Website redevelopment			
Policy area	What we said we'd do	Timescale	Progress/plans to date
<b>Overall risk rating = amber</b>			
Redevelop website	Move from Drupal 7 to Drupal 10 and associated changes	2024	Drupal 10 testing commenced 5 March (on target)

Diversity			
Policy area	What we said we'd do	Timescale	Progress/plans to date
<b>Overall risk rating = green</b>			
Stakeholder engagement	Develop our approach to data gathering/research with other stakeholders in the IP sector	2024	Ongoing – most recent meeting was the senior leader's diversity think tank, hosted by IP Inclusive on 28 February
Diversity survey	We will conduct a diversity survey	2024	Discussions with potential partners to conduct survey with a view to obtaining three quotes

Diversity Action Plan	Review the plan every 6 months <sup>1</sup>	Next review due in July 2024	
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<sup>1</sup> Note that this was not in the Business Plan but was agreed by the Board in January 2024.

# In<sup>2</sup>STEM

IPReg | 2023 Case Study



In<sup>2</sup>science<sup>UK</sup>

# Thank you for supporting our mission!

In2STEM aims to improve access to STEM university degrees and careers for people from poor socioeconomic backgrounds. Delivered over two months, In2STEM participants receive experiences which bolster their understanding of routes into STEM education and employment, and equip them with the academic and professional skills needed to flourish in their future careers.

Every year, we meticulously evaluate data on the outcomes of our participants. Based on this analysis, we know that programme graduates are more likely to:

- Apply and be accepted to competitive undergraduate degrees in STEM and other fields.
- Understand the content and requirements of STEM university degrees and careers.
- Envision themselves as aspiring STEM professionals.
- Possess critical-thinking, communication, networking and writing skills.

Achieving these outcomes for over 800 students, hailing from 361 schools around the UK, would not have been possible without the generous support of our funders, partners and volunteers. Thanks to your belief in our mission, to promote social mobility and diversity in STEM by empowering young people from disadvantaged backgrounds, we were able to exceed our objective of improving the lives and prospects of hundreds of our beneficiaries.

**809**  
Young  
People

**81%**  
Ethnic  
Minority

**71%**  
Female

**27%**  
Male

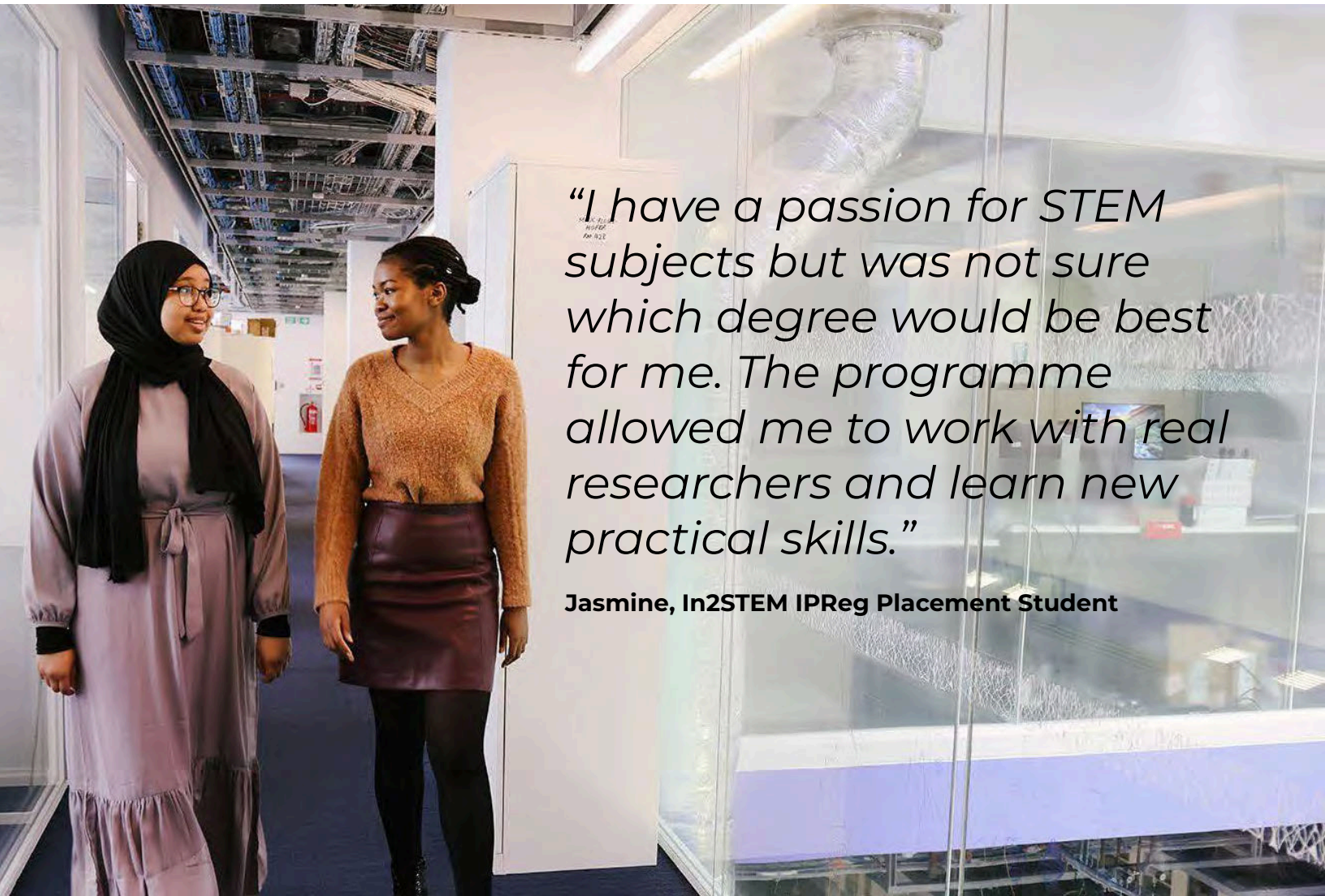
**2%**  
Non-binary



In2scienceUK are grateful for the continued support of IPReg in 2023, marking another year of collaboration in our shared mission to empower the next generation to enter STEM.

This year, thanks to your invaluable support, In2scienceUK were able to support **ten exceptional participants** through the In2STEM programme. Each of these young people benefited from a life-changing opportunity to undertake a work experience placement with an inspiring, accomplished STEM professional. Additionally, they received expert mentorship, participated in workshops delivered by leading experts, and undertook a small research project on a topic of their choosing.

This support has not only positively impacted the lives of young people, but has also helped to nurture a culture of equality, diversity and inclusion in the STEM sector as a whole.



*“I have a passion for STEM subjects but was not sure which degree would be best for me. The programme allowed me to work with real researchers and learn new practical skills.”*

**Jasmine, In2STEM IPReg Placement Student**

# Student Case Study -



Sarah and Raffi took part in the In2STEM programme at UCL to explore what a career in Chemical Engineering could look like and to learn more about their topics of interest. After completing the programme, they feel more confident pursuing their studies and a career in the same field.

*"I plan on studying Chemical Engineering at university. I have really enjoyed my placement at UCL which will highlight my ability to my preferred university choices. I think the hands on experience is so important because I have only previously experienced science in the classroom and had no previous understanding of research skills or current data collection methods. I would like to thank IPReg for supporting my placement and making this experience possible."*

**Sarah, In2STEM IPReg Placement Student**

*"The placement gave me the opportunity to work with young people who are passionate about STEM careers and research. All of the young people I have met during my time as an In2scienceUK Host have been so excited to learn new STEM-focused techniques and research skills. I would recommend the experience to anyone."*

**Amber, In2STEM Placement Host**





In2scienceUK exists to unlock the potential of young people from disadvantaged backgrounds and boost diversity and inclusion in the STEM sector. With salaries in STEM being 20% higher than in other sectors, these opportunities allow young people to progress to better-paid jobs and achieve economic stability.

In 2023, In2ScienceUK launched the **In2Careers** platform; a digital tool to support our beneficiaries throughout their upwards mobility journey.

The platform showcases current jobs, internships, placements, and exclusive development opportunities for young people to kick-start their careers in the STEM sector.

Young people will have access to an extensive knowledge bank of useful information and workshops, covering topics including networking, career pathways, mental health & personal finance. It also enables participants to connect with each other, expanding their professional networks & engaging in peer-to-peer mentorship.

As the In2Careers platform expands, In2ScienceUK continues to seek new and exciting opportunities to share with our network of aspiring and talented young people. **To share any opportunities on our In2Careers platform, please feel free to get in touch with a member of our team;**

[careers@in2scienceuk.org](mailto:careers@in2scienceuk.org)

[development@in2scienceuk.org](mailto:development@in2scienceuk.org)

## The In2scienceUK IPReg Scholars Proposal 2024

Young people from low income backgrounds face multiple barriers when pursuing further education and careers in STEM. The In2STEM Programme tackles these barriers through its innovative approach to support lasting positive change. In2scienceUK aims to help young people secure their future while promoting diversity and inclusion in the wider STEM sector. We work with young people individually and give them the support they need to reach their potential and progress. The majority of young people who take part in the In2STEM Programme are:

- Recipients of free school meal.
- Have parents who do not hold higher education qualifications.
- From low income families.
- Live in a postcode in which few progress to higher education.

### The In2STEM Programme

In2scienceUK have developed a four step programme that supports future success by fostering a collaborative relationship with young people and developing projects that cater to their interests and career aspirations.



1. Inspiring STEM placements.



2. Innovative workshops, skills days and mentoring.



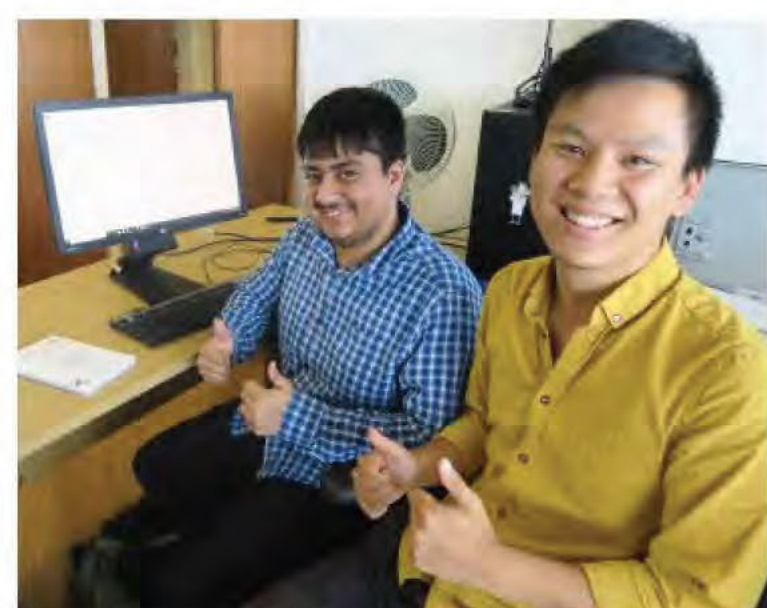
3. Career, university access and guidance.



4. Public Engagement Competitions

### Why In2scienceUK Matters

In2scienceUK addresses the STEM skills gap by creating a pipeline of diverse and skilled young people within the sector. According to government statistics published in 2022, only 28% of students on free school meals progress to higher education. However, data analysis of participants concludes that the In2STEM Programme has a significant impact, with 95% of young people participating progressing to study a STEM degree at university. By working with a diverse array of STEM organisations, we hope to foster greater inclusion of underrepresented groups. In 2021, In2scienceUK received the Queen's Award for Promoting Opportunity through Social Mobility in recognition of our high quality work with young people.

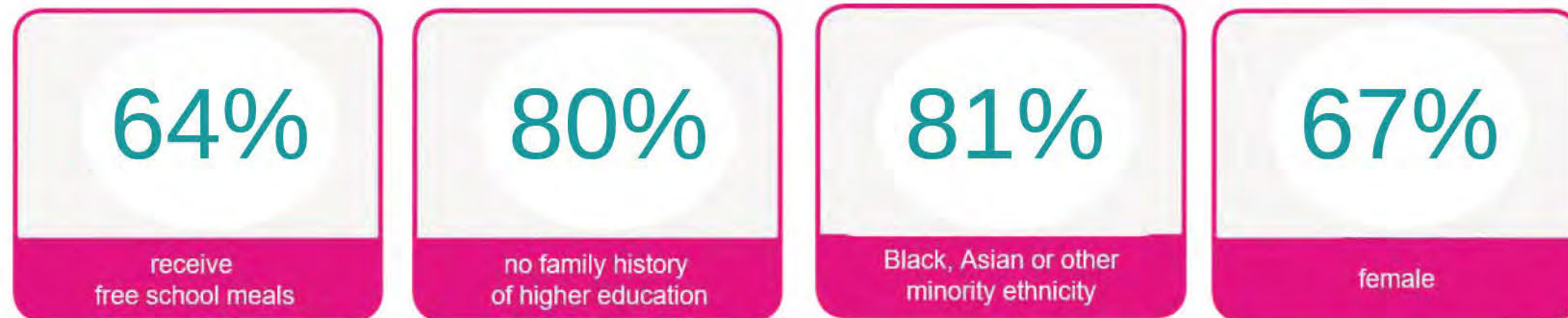


In2STEM Programme participants enjoying inspiring varied work placement opportunities.

## Working In Collaboration

The In2STEM Programme has positively impacted the lives of hundreds of young people from low income backgrounds. By working in collaboration with industry, research and STEM engagement professionals, young people can work with positive role models and reach their full potential. Every In2scienceUK sponsor shares our mission to open more opportunities for young people with limited access to STEM skills and experience.

## The 2023 Student Cohort



## IP Scholars 2024

In2scienceUK's mission is to increase the STEM pipeline and enable young people to access the support and skills they need to reach their potential. In 2023, In2scienceUK provided 788 young people with work placements. However, with over 3650 young people applying this year alone, we need your support more than ever. By supporting a cohort of young people for £10,000, IPReg will be making a positive contribution to diversity and inclusion in STEM and IP.

## Our Commitment to You

By supporting In2scienceUK, we will announce our partnership to the wider STEM community by producing a partnership launch. In2scienceUK will add the IPReg logo to our external marketing assets and impact reports. In2scienceUK will promote our partnership on all of our social media channels. Our dedicated marketing executive will regularly share your achievements with our wider IP community by publishing press releases on IP Inclusive and CIPA Magazine. Staff at IPReg can provide career guidance through our virtual IP Careers Panel Session 2024. After the In2STEM Programme 2024 is completed, IPReg will receive case studies and testimonials from the young people you supported to highlight your contribution to greater inclusion in IP. Staff at IPReg will be invited to the In2scienceUK end of programme impact celebration event to meet the young people they have sponsored.

## In2scienceUK's IP Supporters



In2scienceUK is a Registered Charity in England and Wales Charity no. 1164821. Please contact Luke McKelvey, Development Manager for more information: [luke@in2scienceuk.org](mailto:luke@in2scienceuk.org)

Sarah Cardell & Dan Turnbull  
Competition and Markets Authority  
25 Cabot Square  
London E14 4QZ

Sent by email only to [Sarah.Cardell@cma.gov.uk](mailto:Sarah.Cardell@cma.gov.uk) and [Daniel.Turnbull@cma.gov.uk](mailto:Daniel.Turnbull@cma.gov.uk)

Dear Sarah and Dan,

**Re: Legal Services Market Study – Quality Indicators**

The Legal Services Consumer Panel (Panel) is writing to draw your attention to the state of play in implementing one of the key recommendations of the Competition and Markets Authority's (CMA's) 2016 review of the legal services market. A number of the recommendations from that study have yet to be implemented, including some which required action from HMG. But there is one specific recommendation which is directed largely at the legal services regulators (and the providers) which we consider could and should have been implemented some time ago but which still remains largely undone. This is the recommendation to make quality indicators available to consumers.

The need for quality indicators in the legal services market was identified by the CMA in the 2016 study and in the follow-up report in 2020. A package of information remedies was proposed by the CMA to address information asymmetry. These remedies were intended to improve consumers' ability to shop around, make informed decisions before purchasing services and become active participants contributing to a well-functioning and competitive market.

While some tangible progress has been made on price transparency and service information, very little has been done to ensure that consumers have access to quality indicators. Our Panel has consistently asserted that price transparency and quality indicators are co-dependent. Information on price is rarely efficient or optimal without quality indicators. Without information on quality, price transparency could perpetuate consumers' misconception that price equates or correlates with quality, with some consumers assuming that higher priced services are better.

In 2020, we agreed with the CMA and the Legal Services Board (LSB) that Approved Regulators were in the best position to decide the scope, focus and

extent of their determination of what quality indicators would work best within their respective communities. However, we also noted that the long history of inaction and cultural resistance to change justified a pro-active and probably prescriptive intervention. In 2016 we said

*“Any remedies proposed by the CMA must therefore take into account the historical pace of change and the strength of the challenge in the sector. Recommendations must be targeted and directed at identifiable bodies, with timescales and reviews for publication built in as appropriate”.*

As we feared, progress on this has been painfully slow. Despite some recent progress on the research and development of indicators, most consumers are still in the same position with respect to quality indicators across the legal sector as the CMA found them in 2016. We are disappointed that none of the legal services regulators can identify a single quality indicator that has been published for consumers’ benefit since 2016.

Following considerable urging from us, the Solicitors Regulation Authority, Council for Licensed Conveyancers and CILEx Regulation commissioned a joint pilot on digital comparison tools (DCT) in 2021. The pilot was completed in February 2022, but the findings were not published until June 2023. It is unclear if the pilots will materialise into indicators that help consumers to identify and choose the right service provider for their needs. To our knowledge, there has been no timeline or action plan to implement the learnings from the pilot, though we note that some providers are now beginning to engage with review sites.

Beyond digital comparison tools and the consumer reviews that may be found within them, we are unaware of any other quality indicator being actively explored by the Approved Regulators. The Panel has made the following suggestions:

- the publication of first tier complaints data;
- the publication of full ombudsman decisions by the Legal Ombudsman (LeO);
- the commissioning of mystery shopping research by the bigger regulators in one or two high risk areas;
- the need for smaller regulators to be proactive e.g. the Council for Licensed Conveyancers could publish quality information on licenced conveyancing work focussing on speed, accuracy and registration timeliness.

### **The Panel’s intervention since 2016**

The Panel has consistently encouraged regulators to do more and to be proactive and collaborative in this area.

In February 2016, the Panel published a report highlighting deficiencies in the provision of information on price and quality (amongst other things). Between 2016 and 2018 there was no movement on our findings or on the CMA’s recommendations, so the Panel decided to focus on complaints data; a partial and imperfect quality indicator, but one that might pave the way for other quality indicators.

In 2018, the Panel hosted a round table event and invited leaders from other sectors to share their experiences of contextualising complaints data. At the end of the round table event, the Panel said it would explore the facilitation of a broader event focused on quality indicators more generally.

In 2019, the Panel published another paper and hosted another round table, in line with the commitment it made in 2018.

In 2020, the Panel submitted an internal paper to the LSB outlining a potential process for developing quality indicators in the sector.

After the submission of this internal paper, the LSB informed the Panel that it had decided to approach quality indicators slightly differently. It would publish a Policy Statement outlining its expectations and the obligations of Approved Regulators to meet these expectations. The Panel raised concerns about this approach, specifically about the length of time it would take between publication of such a policy statement and any measurable improvement for consumers.

### **The LSB's intervention**

The LSB is responsible for overseeing the Approved Regulators in their implementation of the CMA recommendations. In April 2022, the LSB published its Consumer Empowerment Policy Statement<sup>1</sup> setting out the expectation on all legal services regulators to act in this area<sup>2</sup>. Following the Policy Statement, frontline regulators raised concerns about how to contextualise quality indicators. This was frustrating for the Panel because we had been discussing contextualisation since 2018, and learnings are available from other sectors. Nonetheless, the LSB asked the Panel for formal advice on this specific matter, i.e. how regulators could contextualise quality indicators so that they are meaningful and do not lead to unintended consequences.

In November 2022, the Panel submitted its advice to the LSB and published it<sup>3</sup>. The LSB subsequently stipulated that it expects to see progress by the Autumn of 2024, eight years after the CMA's interim report and four years after its review of the market study remedies. Setting aside the length of time it has taken to get here, we remain concerned that the preparatory work needed to make satisfactory quality indicators available this year has barely begun. It seems to us highly unlikely that by September 2024 we will see the development of a consistent,

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<sup>1</sup> <https://legalservicesboard.org.uk/wp-content/uploads/2022/04/Statement-of-policy-on-empowering-consumers.pdf>

<sup>2</sup> *Regulators are expected to put in place regulatory arrangements and undertake other appropriate activities to ensure the provision of useful information that best enables effective consumer choice on the quality of legal services providers to consumers. Such information should include as a minimum: a. Providers' disciplinary and enforcement records, including any sanctions; and b. Published decisions made by the Legal Ombudsman on complaints about providers.*

*In considering what further information about quality is useful, the LSB expects regulators to have regard to:*  
*a. Information about: i. The quality of legal services provided; ii. The quality of customer service; and iii. Outcomes of work done. b. The following types of information, as appropriate for the particular market: i. Quantitative data on a provider's performance (for example complaints data, success rates, error rates); and ii. Customer feedback, ratings and reviews, particularly those that comment on the aspects of quality set out in paragraph 19a.*

<sup>3</sup> <https://www.legalservicesconsumerpanel.org.uk/wp-content/uploads/2022/11/22.11.24-LSCP-Contextualisation-Advice.pdf>

comprehensive and comparable set of quality indicators that consumers need to be able to make informed choices in this market.

### **The CMA's current investigation**

We are aware of and have spoken to the CMA about its new investigation into providers of will-writing, online divorce and pre-paid probate services. The CMA has highlighted complaints about lack of price transparency, mis-selling, inadequate quality of service, inadequate communication with customers amongst other concerns. It is our strong view that the complaints emanating in these areas of law are symptomatic of the problems identified in 2016 and 2020 which persist in this sector.

Until robust regulation addresses these fundamental failures in transparency, these issues will continue to arise across the entire legal sector and the most vulnerable consumers will continue to suffer the consequences. We would therefore suggest that the CMA consider revisiting the review, to look at the recommendations made in 2020 that have yet to be implemented, including (but not limited to) the issue of quality indicators.

Yours sincerely,

A handwritten signature in black ink that reads "S Chambers". The signature is written in a cursive, flowing style.

Sarah Chambers  
Chair  
Legal Services Consumer Panel

Cc: [remediesmonitoringteam@cma.gov.uk](mailto:remediesmonitoringteam@cma.gov.uk)  
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## Board Meeting 14 March 2024

### Governance and Transparency – review of outstanding matters

Agenda Item: 13

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

This paper is for discussion.

Annex A will be published with this Board paper.

Final versions of Annexes B and D will be published on the governance section of the website.

Annexes C and E will not be published.

### 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 6 March 2024. Work undertaken by the Risk Working Group is now being provided as separate agenda items at Board meetings.

### Recommendation(s)

2. The Board:
  - a. Considers the draft Procurement Policy at **Annex B** and **Annex C**. If the new limits are agreed, the CEO’s contract will be varied to allow expenditure up to the limit set out in the policy (see paragraph 5);
  - b. Notes the revised stakeholder engagement strategy (**Annex D**) and interest/influence grid (**Annex E**);
  - c. Discusses what further work (if any) it would like the Governance and Transparency Working Group (GTWG) to conduct. If no further work is required in the near future, agree that the GTWG should be formally ended.

### Risks and mitigations

	Risk	Mitigation
Financial	There is an ongoing cost for the external minute-taker.	
Legal	[REDACTED]	[REDACTED]



<b>Reputational</b>	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.
<b>Resources</b>	The main resource currently being expended on it is the CEO's time.	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*

- Almost all elements of the Action Plan have been completed. Board member appraisals have been conducted. Some areas have been taken forward separately – for example the approach to risk management is being developed by the Risk Working Group and reports are made to each Board meeting; development of KPIs will follow finalisation of the risk register. Regular updates on progress against the business plan (if not covered by a separate Board paper) are now included in the CEO's report.

### *Revised procurement policy*

- The November 2023 Board meeting referred the draft procurement policy for further consideration by the CEO. A revised version is at **Annex B** with changes shown tracked; this has been developed taking into account the value and nature of contracts that have been awarded since January 2023 (**Annex C**). There is no particular pattern to the value of those contracts and the method by which decisions were made to award them. To make the policy practical on an operational basis, the proposal is that if there is a specific budget allocation for a discrete project (or part of a project), the CEO can award a contract of up to £6,000 (inc. VAT), providing the appropriate procurement process set out in the policy is followed.<sup>1</sup> In all other cases, the process further authorisation from the Chair or Board is required.

### *Revised stakeholder engagement strategy*

- The December 2023 Board meeting referred the draft stakeholder engagement strategy for further development. The updated version is at **Annex D**. Also attached is a stakeholder influence/interest grid (**Annex E**).

<sup>1</sup> The limit for obtaining advice to deal with a cyber attack is £10k. Obtaining further legal advice on the same or related matter does not require a quote from anyone else but value for money must be considered and a fixed price requested (although the firm may not agree to provide this).

## **Next steps**

7. Publish final procurement policy and stakeholder engagement strategy.

## **Supporting information**

### **Links to strategy and business plan**

8. 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**

9. 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.

## **Impacts**

10. 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**

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

## **Equality and diversity**

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

## **Evidence/data and assumptions**

13. Nothing specific to this paper.

## March 2024 Board meeting

### Item 13 Annex A

#### 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

- 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.
	Arrange external Board evaluation in 2024
March 2024	This has now been transferred to the Action Log
	Action closed

- 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
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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 website <sup>1</sup>
	Published on 7 March– action closed

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

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<sup>1</sup> This was omitted in error from the Board paper and was added on 19 January 2024 with the Board's agreement

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 by regular audit to ensure all relevant policies are publicly available in writing.

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.
	Publication of Handbook (without the procurement policy) – completed
Next steps	Update procurement policy and refer back to Board in March 2024 (see Annex B to the main Board paper)

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
	CEO to finalise <sup>2</sup>
Next steps	Revised version to be considered at March 2024 Board meeting (see Annexes D and E of the main Board paper)

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<sup>2</sup> This was omitted in error from the Board paper and was added on 19 January 2024 with the Board’s agreement


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

*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
	Consideration of EDI policy at January 2024 Board meeting
Next step	Publish EDI policy – this was done on 29 February Action closed

## IPReg Board Meeting Actions Log - New and Outstanding Actions

### Item 14

#### March 2024 Board meeting

Date of Meeting in which action arose	Agenda Item	Action	Responsibility	Status	Notes/Update
January 2024 Board Meeting					
Jan-24	Review of Compensation Arrangements	Director of Policy and CEO to finalise draft rule change application to the LSB	VS/FG	Closed	Draft application submitted. Final application sent on 22 February. 28-day consideration period ends on 20 March if not extended by the LSB.
Jan-24	Governance Action Plan Progress – EDI and Action Plan	CEO to update the governance action plan prior to publication in the Board papers	FG	Closed	
Jan-24	Complaints Update	Head of Registration to review sole traders' PII information	SE	Open	
Jan-24	CEO's Report - response to LSB consultation on budget and business plan	CEO to finalise response to LSB consultation on budget and business plan	FG	Closed	
Jan-24	CEO's Report – New regulatory objective	CEO to consider how to conduct a sectoral risk assessment with external support	FG	Open	
Jan-24	Governance Action Plan	CEO to arrange external Board evaluation for later in 2024	FG/Chair	Open	



## IPReg Board Meeting Actions Log - New and Outstanding Actions

Jan-24	Governance Action Plan	CEO to publish EDI policy on website	FG	Closed	
December 2023 Board Meeting					
Dec-23	Governance Action Plan Implementation	CEO to work on the wording of the stakeholder engagement strategy	FG/KK	Open	For consideration at the March 2024 Board meeting
Dec-23	CEO's Report – Articles of Association	CEO to take forward discussions with Kingsley Napley	FG	Open	
Dec-23	Risk Working Group	CEO to finalise contract with Sayer Vincent for support on risk management	FG	Closed	Contract in place
Dec-23	Education Working Group	Education and Diversity Policy Officer to request update from the PEB in late January	GS	Closed	Update received – see agenda item 8(b)
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	For consideration at March 2024 Board meeting
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	

**IPReg Board Meeting Actions Log - New and Outstanding Actions**

July 2022 Board Meeting					
Jul-22	Financial Statements (IPReg Ltd), Directors' Report and Letter of Representation	Update financial procedures	KD	Ongoing	This item was deferred until the after the new accounting package was put in place - 2023 . It will now incorporate all procedures and will be completed before the external audit in May
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