IPReg

APPLICATION FOR APPROVAL OF PRACTISING FEES FOR 2027

Patent Regulation Board and Trade Mark Regulation Board

Application under section 51 of the Legal Services Act 2007

15 October 2026

Document map

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I. Summary and overview

This section follows the questions in the LSB application template.

Briefly summarise the proposed fee structure and levels and state whether the proposal is for an increase, decrease or no change relative to the previous year. Explain why the fee level has changed.

This application requests approval of the practising fees for 2027 for individual patent and trade mark attorneys and regulated firms. The proposal applies increases of approximately 2.97% to fee-paying categories, subject to category-level variation caused by rounding individual amounts to the nearest pound, while keeping the Not in Active Practice fee unchanged. This reflects a deliberate regulatory judgement balancing affordability with the minimum credible funding required to deliver the 2027 Business Plan.

The final 2027 Budget provides for total income of £1,526,721, including practising-fee income of £1,473,721, against total expenditure of £1,645,052 and a planned operating deficit of £118,331, with the remainder of the income arising from bank interest and income from entity application fees. IPReg is not proposing to recover the full cost of the 2027 programme through practising fees; the deficit will be funded from reserves, limiting the increase charged to fee payers while maintaining effective regulatory delivery.

Measure	2027 Budget	2026 Budget	2026 projected
Total income	£1,526,721	£1,427,025	£1,435,171
Total expenditure	£1,645,052	£1,507,900	£1,573,459
Operating balance	(£118,331)	(£80,875)	(£138,288)

The 2027 programme is focused on the evidence-led promotion and protection of consumer interests and the effectiveness of the profession. It includes progressing the Education Review, informed by its Call for Evidence, alongside stronger data

analysis, market intelligence and horizon scanning. This will enable emerging consumer, business and professional risks to be identified earlier and IPReg's response to remain targeted, transparent and focused on outcomes.

IPReg will strengthen its regulatory insight, voice and impact by using intelligence and information from complaints and compliance activity to produce timely, practical guidance and accessible communications for attorneys, firms, consumers and businesses. This approach is intended to support informed choice and earlier compliance, and to make the consumer protections associated with regulated patent and trade mark professionals more visible.

The Business Plan therefore prioritises selective investment in intelligence, data analysis, communications and regulatory capability; targeted and proportionate action where evidence indicates risk; and measurement through clearer guidance, stronger awareness, earlier prevention of risk of harm and demonstrable consumer and public-interest outcomes.

The application draws on the most recent 2026 evidence available, including management accounts for the six months ended 30 June 2026, the updated 2026 year-end projection, revised levy information and consultation responses to the 2027 Business Plan Budget and Fees Consultation. IPReg will retain the ability to waive practising fees for attorneys facing financial hardship.

The proposed fee schedule and the post-consultation Practice Fee Regulations 2027 are at Annexes 1 and 2. The consultation document is at Annex 3.

Explain the arrangements for continued operation if the practising fee is not approved within the intended timeframe.

The Reserves Policy provides for reserves capable of covering costs for up to three months if practising fees cannot be collected, for example because of an IT system failure. If LSB approval were not obtained within the intended timeframe and practising fees could not be collected as planned, IPReg would consider using available uncommitted reserves, subject to the required governance approvals, to maintain essential regulatory operations while outstanding matters were resolved with the LSB. Management would monitor cash flow closely and protect authorisation, registration, complaints, disciplinary, supervision and enquiry functions, with the IPReg Board overseeing any material reprioritisation. Annex 4 shows the reserves as at 31 December 2025; the Reserves Policy is published here and at Annex 5.

State how this application addresses concerns raised by the LSB in the previous year's application or under the regulatory performance assessment framework.

The LSB's approval of IPReg's 2026 practising fee application identified, at paragraph 24 of its decision, two matters for further explanation in the next application. IPReg's response is set out below.

LSB expectation	IPReg response	Where addressed
Project-related reserves	A committed reserve is ring-fenced for an obligation and cannot be used for another purpose; the Compensation Fund Reserve is therefore committed. Other reserves, including amounts identified for a project, remain available for permitted regulatory purposes if circumstances or priorities change, subject to IPReg Board approval. They are therefore uncommitted even where the IPReg Board has indicated an intended use.	Section IV; Annexes 4 and 5
Forecast expenditure	All expenditure IPReg presently expects to incur in 2027 is included in the 2027 forecast expenditure and budget lines. A reserve is not expenditure merely because the IPReg Board has identified a possible future use. If additional expenditure from uncommitted reserves becomes necessary, it will require IPReg Board approval, remain confined to permitted purposes and be reported through management accounts and the reserves schedule.	Section III; Annexes 4 and 6

If potential issues were identified through informal engagement with the LSB before submission, state them and explain how they have been addressed.

A draft application was submitted on 30 September 2026. As a result of feedback, the following changes were made:

- A table was included at page 4 setting out the total cost, including staff resource, of the key areas of practising fee spend
- The confidential Compensation Fund Actuarial Review report was submitted as a separate annex
- Annex 4 now incudes projected reserves for 31 December 2026 and 31 December 2027. IPReg's Reserves Policy (Annex 5) has been provided by way of hyperlink to our website as this is a published document
- Additional information about forecasting spend on conduct and disciplinary cases has been provided at page 9

II. Allocation to permitted purposes (rules 8 and 14-16)

Outline the programme of activity funded by the PCF and identify the permitted purpose relevant to each activity. Explain any representative, regulatory or shared-service allocation.

The final 2027 Budget is at Annex 6 and is compared with the 2026 Budget and the latest 2026 projected outturn. The detailed unaudited actual-to-budget results for the six months ended 30 June 2026 and the projected outturn for the year ending 31 December 2026 are at Annex 7. The final 2027 Business Plan is at Annex 12 and links investment and regulatory risk to intended outcomes, public benefit and the measures of success proposed as outcome-based KPIs in section 7 below.

- IPReg is a regulatory body and its income is used only for permitted purposes.
- Income is allocated to IPReg's regulatory functions, which are permitted purposes.
- IPReg is self-funding. It does not remit any part of practising fees to CIPA or CITMA and receives no shared resources or services from them.
- Accordingly, 100% of practising fee income is applied to regulatory permitted purposes and 0% to representative, non-regulatory or shared-service activity.
- All known and reasonably anticipated 2027 expenditure is included in the budget. Any further use or reallocation of uncommitted reserves requires IPReg Board approval and will be reported through management accounts and the reserves schedule.

The principal investments are targeted rather than representing a general expansion of scope. They comprise data and compliance capability to integrate intelligence, facilitate earlier support and enable proportionate supervision; communications capacity to improve guidance and awareness; Education Review implementation and transition; staff development and resilience; and responsible investment in technology and AI.

A table showing how the budgeted 2027 expenditure is allocated is set out below. Approximately two-fifths of staff resources are dedicated to front-line regulatory activities or registration, authorisation, compliance, complaints and disciplinary work. A further quarter supports assurance, education and guidance activities with the remainder supporting policy development, consumer and public interest work, governance and organisational infrastructure. All PCF-funded activities fall within the permitted purposes set out in s51(4) of the Legal Services Act 2007.

Function	Staff Cost (£)	% of Staff Cost	Primary s.51(4) Permitted Purpose(s)
Compliance, Complaints & Disciplinary	185,000	20%	(a) Regulation, accreditation, education and training
Registration & Authorisation	175,000	19%	(a) Regulation, accreditation, education and training
Regulatory Assurance & Intelligence	120,000	13%	(a) Regulation, accreditation, education and training
Education, Standards & Guidance	115,000	12%	(a) Regulation, accreditation, education and training
Policy, Research & Representation	90,000	10%	(c) Participation in law reform and the legislative process; and (f) Promotion of relations with national and international bodies
Corporate Support, IT & Infrastructure	90,000	10%	Supports all permitted purposes (indirect allocation)

Corporate Governance & Board Oversight	75,850	8%	Primarily (a) Regulation, accreditation, education and training; also (c) Participation in law reform and the legislative process; and (f) Promotion of relations with national and international bodies
Public Interest, Consumer & EDI	70,000	8%	(a) Regulation, accreditation, education and training; and(e) Human rights and fundamental freedoms
Total	**920,850**	**100.0%**	

Pursuant to Rule 16, explain whether PCF income funds an activity with both permitted and non-permitted purposes.

No practising fee income is allocated to non-permitted purposes. IPReg's activities and enabling costs support its statutory regulatory functions. There is therefore no mixed-purpose allocation requiring apportionment under Rule 16.

Describe how the regulatory activities funded by the fee are consistent with the regulatory objectives, so far as reasonably practicable.

All 2027 expenditure supports IPReg's statutory regulatory functions and its three strategic objectives: improving understanding of the risks faced by small businesses and individual consumers of IP services and thereby strengthening consumer protection; promoting high standards of professionalism in the regulated community; and delivering regulatory excellence. The programme applies right-touch regulation by linking intelligence and risk to proportionate and targeted engagement, guidance, assurance, supervision or enforcement, and by evaluating whether intervention delivers consumer and public benefit. The statutory regulatory objectives are reproduced at Annex 8.

5. Programme of activity and public benefit

Activity	Risk or need	Outcome and public benefit	Evidence / assurance
Authorisation and registration	Unsuitable persons or entities may enter or remain in the market. Unnecessary barriers to entry prevent appropriately qualified and competent practitioners entering the regulated market	Only those meeting requirements are authorised and a strong diverse workforce promotes competition and innovation	Timeliness, quality, register accuracy and competence evidence.
Complaints and discipline	Misconduct may harm consumers and confidence.	Concerns are assessed fairly and serious matters receive proportionate action.	Case timeliness, quality, outcomes, learning and repeat issues.
Data and market intelligence	Fragmented evidence may produce reactive regulation.	Emerging risks are identified earlier and resources better targeted.	Risk dashboard, insight findings and evidence of earlier action.
Education and competence	Qualification routes may not remain relevant or accessible.	The Education Review findings are implemented through a structured 2027 transition phase, giving candidates, training providers, employers and the profession clear notice, guidance and support ahead of full implementation in 2028. The reformed framework will enhance competence, accessibility, inclusion and public confidence while managing disruption and unintended consequences.	IPReg Board decisions; 2027 transition and implementation milestones; equality and accessibility assessment; stakeholder, candidate and provider readiness; communications and guidance delivery; implementation risks; and

Activity	Risk or need	Outcome and public benefit	Evidence / assurance
			benefits tracking through 2028.
Consumer information and communications	Consumers may not understand IPReg's role or protections.	Accessible information supports informed choice and enables the raising of concerns.	Awareness, reach, register journeys and feedback.
PII, compensation fund and resilience	Inadequate safeguards may expose consumers to loss.	Proportionate financial protections and continuing assurance.	Sandbox monitoring, claims data and actuarial review.
Diversity and inclusion	Unnecessary barriers may weaken the profession and access.	Better evidence informs targeted interventions and policy design.	Survey results, agreed actions and integration into decisions.
AI and innovation	Technology creates opportunity and new regulatory risks.	Innovation develops without compromising competence, confidentiality or quality.	Evidence, engagement, risk themes and proportionate action.

6. Business Plan 2027: one-page summary

Vision and mission		
Vision: Support the UK to be a leader in intellectual property through trusted regulation, high standards and demonstrable public value. Mission: Uphold confidence in IP regulation by protecting the public interest, setting high standards and enabling responsible innovation.		
Strategic pillar	**2027 priorities**	**Intended outcome and public value**
Public confidence and consumer protection	Increase public confidence and trust; gain better consumer insight; use more market intelligence; build right-touch capability.	Consumers better understand the protections of regulation; emerging risks are identified earlier; intervention is targeted and proportionate.
Promote high standards	Develop influence and engagement; demonstrate accountability; promote the value of the regulated profession; enhance supervision.	Competence, ethics and service standards are visible and supported; supervision responds early to evidence of risk; confidence in regulated professionals is strengthened.
Regulatory excellence	Implement the findings of the Education Review during 2027; strengthen organisational resilience; improve awareness and understanding of our regulatory work; and invest in people, data and communications. The 2027 programme will include a managed transition phase, with full implementation of the new education framework planned for 2028.	The Education Review will move from findings to delivery: decisions will be translated into clear requirements, guidance and implementation arrangements during 2027, supported by a managed transition for candidates, training providers, employers and the profession. Full implementation in 2028 will support relevant, inclusive and sustainable routes to qualification, protect competence standards and maintain public confidence.

6.1 Four delivery priorities

Priority	2027 focus	Assurance
Invest in our people	Capability, development and resilient delivery.	Workforce plan, development activity and delivery performance.
Implement the Education Review	Implement the agreed findings during 2027, including detailed design, communications, guidance, readiness activity and a managed transition phase.	IPReg Board-approved findings and implementation plan; defined 2027 transition milestones; equality and accessibility analysis; stakeholder and provider

Priority	2027 focus	Assurance
	Full implementation of the new arrangements is planned for 2028.	readiness evidence; risk and dependency reporting; and benefits measures extending into full implementation in 2028.
Compliance intelligence	Integrated data, earlier risk identification and proportionate supervision.	Risk dashboard, intelligence reporting and evidence-based targeting.
Promote regulatory value	Consumer understanding, stakeholder engagement, transparent outcomes and influence.	Awareness, confidence, engagement and publication measures.

Core regulatory activity continues through policy development and evaluation, timely identification and effective management of emerging risks, authorisation and registration, supervision and enforcement, and assurance and accreditation. These functions operate as an integrated regulatory system: intelligence from applications, renewals, complaints, enquiries and assurance activity will inform risk assessment; identified risks will shape engagement, supervision, guidance or enforcement; and lessons from intervention will be fed back into standards, education and future planning. This approach enables IPReg to identify, prevent and reduce potential risks to the regulatory objectives or principles where possible and appropriate. Consistent with right-touch regulation, IPReg recognises that zero risk is unlikely to be achievable and that any regulatory intervention should be the minimum necessary, including to enable innovation, rather than relying principally on action after risks have crystallised.

7. Outcome focus and development of KPIs 2027

IPReg is developing an outcome-focused performance framework aligned with our strategic objectives. This will strengthen IPReg's use of data and insight and improve how it measure public value, consumer outcomes and regulatory effectiveness. The metrics will help the IPReg Board assess whether its activities are delivering value to consumers, the public and the profession.

Where no reliable baselines yet exist, we will establish one through proportionate research or improved case data before setting a quantified future target. Operational service measures will continue beneath this framework to provide assurance on timeliness, quality and delivery.

7.1 Our intended KPI governance

- The IPReg Board will consider periodic reporting against the agreed measures, supported by operational indicators and analysis of trends, quality, emerging risks and delivery confidence. Reporting will identify where evidence points to a need for corrective action, additional engagement or reprioritisation, allowing the IPReg Board to test whether resources remain directed towards the greatest regulatory risks and public benefits.
- Measures will not be treated as self-explanatory or used in isolation. For example, a low investigation rate will be reviewed alongside case seriousness, repeat issues, complaint themes, intelligence and evidence of under-reporting so that low activity is not mistaken for low harm. Similarly, changes in awareness or confidence will be considered alongside the reach and quality of engagement and evidence of actual consumer behaviour.
- Baseline measures will be converted into quantified targets once survey and case data are sufficiently available or reliable.
- The KPI framework will be reviewed as part of our strategic cycle to confirm that definitions, data sources and reporting frequencies are reliable and that the measures are driving the intended regulatory behaviour and public-interest outcomes. Where a measure creates a perverse incentive, lacks sufficient evidence or fails to illuminate material risk, it will be refined or replaced through documented governance, with the rationale reported to the IPReg Board.
- We will publish details of our KPIs in our 2027 Annual Report to demonstrate their alignment with our work programme and provide an indication of performance during the year.

III. Financial information (rule 17)

Provide income and expenditure forecasts, including practising-fee income, anticipated expenditure and levies, and explain how the budget was developed.

The budget is prepared on an accruals basis. Figures are inclusive of VAT. IPReg is not registered for VAT because its income is treated as exempt, non-business or otherwise outside the scope of VAT. The schedules distinguish income, expenditure and use of reserves, so anticipated spending is shown transparently rather than held only as a reserve.

Income	2027 Budget	2026 Budget	2026 projected
Practising fees: attorneys and entities	£1,473,721	£1,403,525	£1,399,715
Other income	£53,000	£23,500	£35,456
Total income	£1,526,721	£1,427,025	£1,435,171

The 2027 practising fee income estimate reflects the proposed fee schedule, including an overall increase of approximately 2.97% for fee-paying categories, subject to category-level differences caused by rounding, and no increase for the Not in Active Practice category. Based on current forecasts, it also includes anticipated attorney admissions, reduced by expected voluntary and other removals. Other income reflects bank interest and role-holder or licensed body application income. No income is assumed from disciplinary cost awards, fines or other case-dependent recoveries because these are outside IPReg's control.

Expenditure	2027 Budget	2026 Budget	2026 projected
LSB and LeO/OLC levies	£105,725	£111,000	£104,776
Board and Directors	£124,200	£116,200	£100,875
Conduct and disciplinary	£100,000	£50,000	£136,423
Corporation tax	£5,000	£2,000	£4,309
Diversity initiatives	£21,000	£32,000	£34,095
Education and projects	£99,277	£198,500	£119,252
Financial expenses	£7,300	£6,000	£7,103
General administration	£107,700	£95,000	£102,685
IT support	£62,600	£44,350	£52,360
Legal and professional	£82,600	£72,000	£66,128
Legal Choices	£5,800	£16,200	£5,800
PR and communications	£3,000	£3,000	£9,920
Staff costs	£920,850	£761,650	£829,733
Total expenditure	£1,645,052	£1,507,900	£1,573,459

The 2027 Budget was developed from the 2027 Business Plan, latest 2026 management accounts and forecast, current risk and delivery information, levy updates and consultation responses. The IPReg Board considered affordability, inflation, reserve levels, alternative fee outcomes and delivery consequences. Quarterly reporting will cover income, expenditure, recruitment, delivery milestones, operating result and forecast reserves, including corrective action for material variances.

Provide financial information for the previous year, including a comparison of actual or projected income and expenditure with budget and an explanation of material variances.

The latest available financial evidence is the management information for the six months ended 30 June 2026 which provides the projection to 31 December 2026 as shown in the previous sections. Projected income is £1,435,171 against a budget of £1,427,025. Projected expenditure is £1,573,459 against a budget of £1,507,900, producing a projected deficit of £138,288 compared with the budgeted deficit of £80,875. The detailed 2026 actual-to-budget comparison and projected outturn are at Annex 7.

- Practising fee income is projected at £1,399,715, approximately £3,800 below budget. Other income is projected at £35,456, above the £23,500 budget, principally because interest exceeded assumptions. IPReg uses Flagstone, which provides access to deposits with more than 50 banks. This enables IPReg to diversify its cash reserves across multiple institutions, improve returns and substantially increased the aggregate protection available under the Financial Services Compensation Scheme through the use of multiple banks on their platform,
- Conduct and disciplinary costs are projected at £136,423, compared with a budget of £50,000. The variance mainly reflects two cases received after the 2026 budget was prepared. Both raise novel, technical and complex issues and have required external legal support from an early stage. Taking a prudent approach, the projection assumes that these two cases, together with three others, will proceed to Case Examiner hearings and potentially full Disciplinary Panel hearings, by 31 December 2026. IPReg has estimated £100,000 for conduct and disciplinary costs for 2027 because complaint numbers are generally rising and cases are becoming more complex. Although IPReg does not anticipate the same number of hearings in 2027 as in 2026, the budget prudently allows for external legal advice and support.
- Staff costs are projected at £829,733 against £761,650, reflecting the full-year Chief Executive cost, Education Review staffing and recruitment expenditure brought forward for 2027 roles.
- Education and project expenditure remains below the 2026 Budget because less external consultancy support was required, partly offset by additional in-house staff time in staff costs. Levies, Board costs and Legal Choices are projected below budget, while communications expenditure is above budget.

IV. Reserves (rules 18-22)

Explain the reserves policy, including targets, committed and uncommitted reserves, accumulated reserves and any variance from target.

IPReg's Reserves Policy is published here and at Annex 5. It has not changed materially, so this application summarises the current position and matters relevant to the 2027 practising fee. Reserves have accumulated from practising fees and other regulatory income.

IPReg applies the LSB definitions. The £100,000 Compensation Fund Reserve is committed because it supports statutory compensation arrangements and cannot be used for general purposes. No additional compensation fund funding is sought through this application or from 2027 practising fees. Other named reserves are treated as uncommitted for LSB reporting purposes because they may be reallocated to another permitted regulatory purpose through a properly governed Board decision. The **confidential** compensation fund actuarial review executive summary is at Annex 9.

Annex 4(a) provides the reserve balances at 31 December 2025, distinguishing the committed Compensation Fund Reserve from the other named reserves and the Income and Expenditure Account. Annex 7 shows that the latest management

information projects a 2026 operating deficit of £138,288. Annex 4(b) shows the projected reserves as at 31 December 2026. Annex 6 includes a further planned 2027 deficit of £118,331, funded from reserves to support the programme while limiting the fee increase to 2.97%. Annex 4(c) shows the projected reserves as at 31 December 2027.

V. Consultation and engagement (rules 23-24)

Describe the consultation process, duration, engagement, responses, how responses were taken into account, and engagement with non-commercial bodies.

IPReg consulted on its 2027 Business Plan, budget and practising fees from 15 July until 12 noon on 25 August 2026, a period of just under six weeks. CIPA and CITMA were given advance notice. The consultation was also drawn to the attention of regulated bodies, Heads of Legal Practice, Heads of Finance and Administration, the IP Federation, IP Inclusive, the IP Practice Directors' Group and the Legal Services Consumer Panel.

Communication	Successful delivery	Unique opens	Click throughs
Launch email	100%	1,742 (44.9%)	308 (7.9%)
Reminder email	100%	1,816 (46.3%)	319 (8.1%)

The figures represent interactions rather than confirmed unique individuals across both mailings and do not capture access through the website or shared links. IPReg received 13 responses. Response volumes vary according to the subject matter, the degree of direct stakeholder interest and the nature of the evidence sought. For context, IPReg received 87 responses to the Education Review Call for Evidence, demonstrating its ability to secure substantial engagement where consultees are highly invested. The 13 responses to this consultation are therefore considered alongside the consultation's reach, the nature of the proposals and the quality and relevance of the evidence provided, rather than as a standalone measure of engagement quality or representativeness. The response volume is not treated as statistically representative, and absence of a response is not treated as evidence of support. The IPReg Board considered the substance of responses alongside financial, operational, equality, risk, complaints, registration and wider stakeholder evidence.

Respondents sought clearer links between expenditure and outcomes, stronger recognition of EDI, better explanation of new capability and greater transparency on material cost movements. IPReg used this feedback to strengthen the application and supporting evidence rather than treating consultation as validation.

Theme	What respondents raised	Response in the application
Outcomes and KPIs	Clearer line from activity and spend to public benefit and measurable success.	One-page Business Plan, outcome KPI framework and risk/outcome/evidence tables.
EDI	Stronger recognition and careful interpretation of survey findings.	EDI is explicit across strategy, programme and impact assessment; £21,000 is budgeted.
Staff costs and new posts	Clarify employment assumptions and return on investment.	Capability is linked to earlier risk identification, engagement and delivery; assumptions and benefits measures to be annexed.
Conduct and disciplinary	Explain increase, complexity and possible recovery.	The £100,000 2027 budget is compared with the £136,423 projected 2026 outturn. No income is assumed from disciplinary cost awards or recoveries because these are outside IPReg's control.
Communications	Justify value and measures.	Linked to awareness, informed choice, visibility and confidence measures.

Theme	What respondents raised	Response in the application
Education Review	Clarify accessibility, evidence, transition and implementation.	Outcomes are in the main paper; milestones, EIA and transition evidence are annexed.
Affordability	Support waivers and clarify Not in Active Practice.	Fee unchanged for that category and waivers continue.
Transparency and value for money	Clearer cost and outcome information.	Income and expenditure separated; material movements explained.
Scotland	Consider regulatory status under relevant Scottish legislation.	The issue raised concerning regulatory status under relevant Scottish legislation will be considered separately and does not alter the 2027 practising fee proposal.

Following consultation, the IPReg Board refined the Business Plan and Budget to strengthen the link between investment, risk and public benefit; clarify reserves and planned expenditure; update practising fee income, levy and 2026 forecast assumptions; and adopt the 2.97% fee increase reflected in the final 2027 Budget, supported by a planned draw on reserves. Annex 10 contains the analysis and IPReg response; Annex 11 contains the organisational responses.

VI. Impact assessments (rules 25-28)

Summarise the equality impact assessment, the assessment of effects on legal services, and actions taken or proposed.

The Equality Impact Assessment is at Annex 13. IPReg has considered the likely effects of the fee proposal and associated work programme across protected characteristics and wider factors affecting affordability or participation, including socio-economic background, caring responsibilities, maternity or adoption leave, illness, disability, part-time work and career breaks.

No consultation response provided specific evidence that the 2.97% increase would create a disproportionate adverse impact on a protected group. Given the limited response volume, absence of evidence is not treated as evidence of no impact. The assessment triangulates consultation findings with the 2026 diversity and workplace wellbeing survey, renewal and removal patterns, waiver applications and relevant stakeholder evidence, and records limitations, mitigations, monitoring triggers and action if unintended effects emerge.

The IPReg Board considered effects on entry to or continuation in practice, firm viability, competition, geographic or specialist service availability, and access to IP legal services. Mitigations include the limited 2.97% increase, unchanged fee structure, unchanged Not in Active Practice fee, hardship waivers and use of reserves. IPReg will monitor renewals, removals, category changes, waiver applications, feedback and evidence of reduced service availability or disproportionate effects.

VII. Transparency of PCF information to relevant authorised persons

Describe or provide the information to be given to fee payers, including fee level, how it was set, allocations, commercial income and accurate levy information.

The consultation gave fee payers information on the proposed practising fee increase, the unchanged Not in Active Practice fee, the basis for fee-setting, the 2027 Business Plan and Budget, current forecasts, inflation, affordability, reserves, levy information and consultation evidence. The final 2027 Budget reflects increases of approximately 2.97% to fee-paying categories, with individual amounts rounded to the nearest pound. No practising fee income is allocated to representative or other non-regulatory activity, no fees are remitted to CIPA or CITMA, and IPReg receives no shared services from them.

The 2027 renewal communication will confirm each approved fee and direct registrants to the final Business Plan, Budget, allocation schedule and Practice Fee Regulations. It will explain that other income arises principally from bank interest and

role-holder or licensed-body application fees and is applied only to permitted regulatory purposes. It will also confirm that no commercial income from practising fee-funded activity is used for non-permitted purposes. The draft final fee-payer communication is at Annex 14.

The 2027 LSB and Office for Legal Complaints/Legal Ombudsman levy is £105,725. This equates to approximately 7.17% of budgeted practising fee income of £1,473,721. The communication will distinguish IPReg fees from CIPA and CITMA subscriptions and signpost payment arrangements, hardship waivers and voluntary removal.

VIII. Checklist and annexes

Provide the required enclosures and list any additional supporting documents.

Where documents are published online, they are included by way of hyperlink. Other documents are provided as attachments.

Requirement	Status / evidence
Income and expenditure forecasts, including practising-fee income	Annex 6: Final 2027 Budget and comparative presentation
Previous-year financial information and actual/projected comparison	Annex 7
Copy or description of information for fee payers	Section VII and Annex 14

Annex	Document	Assurance purpose
1	Proposed 2027 practising fees	Fee schedule and year-on-year cash impact
2	Practice Fee Regulations 2027, post-consultation	Formal regulations
3	Consultation document: 2027 Business Plan, budget and practising fees	Evidence of proposals consulted upon
4(a) 4(b) 4(c)	Reserves as at 31 December 2025 Projected reserves as at 31 December 2026 Projected reserves as at 31 December 2027	Reserve balances, classification and accumulated position
5	Reserves Policy	Policy basis and reserve targets
6	Final 2027 Budget and comparison with the 2026 Budget and projected outturn	Income, expenditure, assumptions and comparative presentation
7	Actual versus budget for the six months ended 30 June 2026 and projected outturn to 31 December 2026	Previous-year variance evidence and projected outturn
8	Legal Services Act 2007 regulatory objectives	Statutory mapping reference
9	**Confidential** compensation fund actuarial review executive summary (submitted separately)	Compensation-fund assurance
10	Consultation responses: summary and IPReg response	Themes, quantitative results and action log
11	Organisational consultation responses	CITMA, CIPA, IP Federation, IP Inclusive and Legal Services Consumer Panel responses

Annex	Document	Assurance purpose
12	Final Business Plan 2027/28	Objectives, delivery, ownership, definitions, baselines and reporting
13	Final Equality Impact Assessment	Evidence, conclusions, mitigations and monitoring
14	What your fee pays for / final fee-payer communication	Public-facing transparency evidence

IX. Compliance statement

Signed:

Name: Jay Parmar

Role: Chief Executive Officer

Date: 15 October 2025

Contact: Jay Parmar, Chief Executive jay.parmar@ipreg.org.uk

Finance contact: Gill Goldsmith, Head of Finance gill.goldsmith@ipreg.org.uk

Annex 1: Proposed 2027 Practising Fees

The proposed fees below are based on an overall increase of approximately 2.97% for fee-paying categories, with category-level percentage differences arising from rounding individual amounts to the nearest pound. Fees for registered attorneys not in active practice remain unchanged.

Attorneys and individuals

Category	2026 Fees		Proposed 2027 Fees	
	Single register	Both registers	Single register	Both registers
Registered attorney solely undertaking corporate work	£216	£345	£222	£355
Registered attorney in private practice	£262	£430	£270	£443
Registered attorney not in active practice	£171	£273	£171	£273
Registered attorney practising as a sole trader, not employing other registered attorneys or other professionals	£430	£614	£443	£632

Registered bodies and licensed bodies

Category	2026 Fees Single or both registers	Proposed 2027 Fees Single or both registers
Registered or licensed body through which only a single registered attorney provides services, employing no other registered attorneys or other professionals	£169	£173
Any other registered body or licensed body — base fee	£430	£443
Additional fee per registered attorney practising through the registered or licensed body	£86	£89
Additional fee per other professional practising through the registered or licensed body	£345	£355

Annex 2

IPReg Practice Fee Regulations 2026

Deleted: 2025

These regulations set out *IPReg's* requirements in relation to practice fees payable by *registered persons* on entry to the *register(s)* and on annual renewal of registration to the *register(s)*. They also set out the penalty fees that *IPReg* will apply in the event that a *registered attorney* fails to renew their registration by the *prescribed* date, and the penalty fee that *IPReg* may direct to be payable by an individual applicant seeking restoration to the *register(s)* following removal for failure to renew registration.

These regulations relate to provisions set out at Chapter 3 of *IPReg's* Core Regulatory Framework, and associated requirements set out in *IPReg's* Standard Operating Procedure in respect of admission and authorisation, and Chapter 6 of the Core Regulatory Framework, and associated requirements set out in the Standard Operating Procedure in respect of applications to waive the practice fees set out in these regulations.

***Registered attorneys*: entry onto the r*egister* and annual renewal of registration**

1. The *prescribed* practice fee for:

   a. Applicants seeking entry onto the *register(s)* in accordance with 1.3 of Chapter 3 of the Core Regulatory Framework and paragraph 2 of the part of the *IPReg* Standard Operating Procedure relating to admission and authorisation requirements; and

   b. *Registered attorneys* seeking renewal of their annual registration in accordance with 4.1 of Chapter 3 of the Core Regulatory Framework and paragraph 73 of the part of the *IPReg* Standard Operating Procedure relating to admission and authorisation requirements,

   shall be in accordance with Table 1 below.

Table 1: *Registered attorneys:* practice fees for entry onto the relevant *register(s)* or annual renewal of registration

	For entry onto a single *register*, or renewal of registration for, a single *register*	For entry onto both *registers*, or renewal of registration for, both *registers*
Registered attorney solely undertaking corporate work	£222	£355
Registered attorney in private practice	£270	£443

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Registered attorney not in active practice	£171	£273
Registered attorney practising as a sole trader and not employing other *registered attorneys* or other professionals *	£443	£632

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* For the purposes of these Regulations, "other professional" shall mean a *manager* or *employee* based in the *UK* who is: (i) not a *registered attorney* but holds the qualifications necessary for registration; (ii) a qualified European patent and/or trade mark attorney; (iii) a barrister of England and Wales; or (iv) a solicitor of England and Wales.

***Registered attorneys*: penalty fee for failure to renew registration by the *prescribed* date**

2. In accordance with 4.1 and 4.2 of Chapter 3 of the Core Regulatory Framework, and paragraphs 73 to 80, inclusive, of the part of the *IPReg* Standard Operating Procedure relating to admission and authorisation requirements, the penalty fee that will apply to *registered attorneys* who have not renewed their registration before the *prescribed* date in each year, shall be equal to 50% of the corresponding practising fee for entry on to or renewal for the *register(s)* in accordance with Table 1, up to a maximum penalty fee of £250.

3. In accordance with 5.3.7 of Chapter 3 of the Core Regulatory Framework and paragraph 98 of the part of the *IPReg* Standard Operating Procedure relating to admission and authorisation requirements, the penalty fee that *IPReg* may direct an individual applicant who is seeking restoration to the *register* following removal for failure to renew registration to pay, shall be equal to 50% of the corresponding practising fee for entry on to or renewal for the *register(s)* in accordance with Table 1, up to a maximum penalty fee of £250.

***Registered attorneys:* waivers in respect of practising fees**

4. In accordance with 2 of Chapter 6 of the Core Regulatory Framework and associated requirements set out in the part of the *IPReg* Standard Operating Procedure relating to waivers, a *registered attorney* may apply to *IPReg* for all or part of their relevant practice fees as set out in Table 1 to be waived.

5. Waivers in respect of practice fees will only be granted where the *registered attorney* provides evidence of hardship.

6. A *registered attorney* whose practice fee is waived under this regulation will remain on the *register(s)* and must continue to comply with *IPReg's regulatory arrangements,* including, but not limited to, the requirement set out in 3.10 and 3.11 of the Code of Conduct in Chapter 2 of the Core Regulatory Framework, to take out and maintain a policy of Professional Indemnity Insurance and, where necessary, run-off cover insurance.

7. A *registered attorney* who has had their practice fee waived under this regulation must notify *IPReg* within 14 days of a change in their circumstances, such as an increase in income,

becoming employed or resuming trading. In such event, their full practising fee will become payable to *IPReg* within 28 days of their notification to *IPReg* of their change in circumstances.

***Registered* and *licensed bodies*: entry onto the *register(s)* and annual renewal of registration**

8. Subject to Regulation 5, the *prescribed* practice fee for:

   a. Applicants seeking entry onto the *register(s)* in accordance with 2.1 of Chapter 3 of the Core Regulatory Framework and paragraph 33 of the part of the *IPReg* Standard Operating Procedure relating to admission and authorisation requirements; and

   b. *Registered* and *licensed bodies* seeking to renew their annual registration in accordance with 4.1 of Chapter 3 of the Core Regulatory Framework and paragraph 73 of the part of the *IPReg* Standard Operating Procedure relating to admission and authorisation requirements,

   shall be in accordance with Table 2 below.

Table 2: *Registered* and *licensed bodies* practice fees for entry onto the *register(s)* or annual renewal of registration

	For entry onto either or both *register(s)*, or renewal of registration
Registered bodies through which only a single *registered attorney* provides services (employing no other *registered attorneys* or other professionals) *	£173
Any other *registered* and *licensed bodies*	£443 + £89 for each *registered attorney* practising via the *registered* or *licensed body* + £355 for each other professional practising via the *registered* or *licensed body* *

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* For the purposes of these Regulations, "other professional" shall mean a *manager* or *employee* based in the *UK* who is: (i) not a *registered attorney* but holds the qualifications necessary for registration; (ii) a qualified European patent and/or trade mark attorney; (iii) a barrister of England and Wales; or (iv) a solicitor of England and Wales.

9. *Registered bodies* and *licensed bodies* will be subject to an additional fee for their first approval, which shall be equal to the practice fee payable upon their entry onto a single or both *register(s)*.

Commencement provisions

10. The fees set out in these regulations shall apply from 1st January 2027 until further amended or substituted by further regulation.

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Supplemental notes

These Regulations are made under section 275A of the Copyright Designs and Patents Act 1988 and section 83A of the Trade Marks Act 1994, respectively (pursuant to sections 185 and 184 of the Legal Services Act 2007) and section 21 of the Legal Services Act 2007.

Annex 4(a): Reserves as at 31 December 2025

Reserve	Classification	£
Compensation Fund Reserve	Committed reserve	100,000
General Contingency Reserve	Other reserve	380,000
Assurance, Disciplinary and Litigation Reserve	Other reserve	240,000
Funding Diversity Initiatives Reserve	Other reserve	20,000
IT/Website Reserve	Other reserve	85,000
General Operational and Research Reserve	Other reserve	96,000
Education Review Reserve	Other reserve	200,000
Income and Expenditure Account: brought forward at 1 January 2025	Accumulated balance	249,102
Transfer to other Reserves		(245,000)
Operating surplus for the year ended 31 December 2025		**183,626**
Total reserves at 31 December 2025		**1,308,728**

The reserve balances reflect adjustments approved by the IPReg Board at its meetings on 13 March 2025 and 10 July 2025:

1. To create the Education Review Reserve with a balance of £200,000

2. To increase the General Contingency Reserve by £60,000 via a transfer of £45,000 from the Income & Expenditure Account, and additionally by reallocating £5,000 from the Assurance Disciplinary & Litigation Reserve and £10,000 from the IT/Website Reserve.

3. Part of the operating surplus will be used to cover anticipated expenditure for the upcoming year

The £100,000 Compensation Fund Reserve is treated as committed.

Annex 4(b): Projected reserves as at 31 December 2026

Reserve	Classification	£
Compensation Fund Reserve	Committed reserve	100,000
General Contingency Reserve	Other reserve	380,000
Assurance, Disciplinary and Litigation Reserve	Other reserve	240,000
Funding Diversity Initiatives Reserve	Other reserve	20,000
IT/Website Reserve	Other reserve	85,000
General Operational and Research Reserve	Other reserve	96,000
Education Review Reserve	Other reserve	200,000
Income and Expenditure Account: brought forward at 1 January 2026	Accumulated balance	181,492
Transfer to other Reserves		-
Operating deficit for the year ending 31 December 2026		(138,288)
Total reserves at 31 December 2026		**1,164,204**

Please note: the operating deficit for the year ended 31 December 2026 is a projected figure.

1. Accounting adjustment on audit to recognise income recorded in advance altered the brought-forward reserves by £6,236.

See our Reserves Policy

Annex 4(c): Projected reserves as at 31 December 2027

Reserve	Classification	£
Compensation Fund Reserve	Committed reserve	100,000
General Contingency Reserve	Other reserve	380,000
Assurance, Disciplinary and Litigation Reserve	Other reserve	240,000
Funding Diversity Initiatives Reserve	Other reserve	20,000
IT/Website Reserve	Other reserve	85,000
General Operational and Research Reserve	Other reserve	96,000
Education Review Reserve	Other reserve	200,000
Income and Expenditure Account: brought forward at 1 January 2027	Accumulated balance	43,204
Transfer to other Reserves		-
Operating deficit for the year ended 31 December 2027		(118,331)
Total reserves at 31 December 2027		**1,045,873**

Please note: the operating deficit for the year ended 31 December 2026 is a projected figure and is used as the opening figure for the projected reserves at 31 December 2027.

See our Reserves Policy

Annex 6: Final 2027 Budget

Income, expenditure and operating balance

Budget item	2027 Budget	2026 Budget comparative	2026 projected
Projected income	£1,526,721	£1,427,025	£1,435,171
LSB and LeO/OLC levies	£105,725	£111,000	£104,776
Board/Directors	£124,200	£116,200	£100,875
Conduct and disciplinary including assurance and litigation	£100,000	£50,000	£136,423
Corporation tax	£5,000	£2,000	£4,309
Diversity initiatives	£21,000	£32,000	£34,095
Education and projects	£99,277	£198,500	£119,252
Financial expenses	£7,300	£6,000	£7,103
General administration	£107,700	£95,000	£102,685
IT support	£62,600	£44,350	£52,360
Legal and professional	£82,600	£72,000	£66,128
Legal Choices	£5,800	£16,200	£5,800
PR/communications	£3,000	£3,000	£9,920
Staff costs	£920,850	£761,650	£829,733
Total projected expenditure	**£1,645,052**	**£1,507,900**	**£1,573,459**
Projected operating balance	**(£118,331)**	**(£80,875)**	**(£138,288)**

Income assumptions

Income	2027 Budget	2026 Budget comparative	2026 projected
Practising fees: attorneys and entities	£1,473,721	£1,403,525	£1,399,715
Other income	£53,000	£23,500	£35,456
Total income	**£1,526,721**	**£1,427,025**	**£1,435,171**

The 2027 practising fee income estimate reflects the approved fee schedule, including increases of approximately 2.97% for fee-paying categories and no increase for the Not in Active Practice category. It also includes anticipated attorney admissions, reduced by expected voluntary and other removals. Other income is based on bank interest and role-holder or

licensed-body application income; no income is assumed from disciplinary cost awards or fines because these are outside IPReg's control.

Levy and principal expenditure detail

Detailed item	2027 Budget	2026 Budget comparative	2026 projected
LSB levy	£100,400	£106,000	£99,217
LeO/OLC levy	£5,325	£5,000	£5,559
Education costs	£21,000	£21,000	£13,995
Education Review	£78,277	£177,500	£105,257
Licence and services	£69,000	£64,000	£63,936
Other office costs	£38,700	£31,000	£38,749
IT support	£36,000	£17,750	£22,614
Data development	£0	£0	£5,994
CRM operational	£21,600	£21,600	£18,890
CRM website redevelopment and enhancements	£5,000	£5,000	£4,862

Staff costs

Staff cost	2027 Budget	2026 Budget comparative	2026 projected
CEO	£144,620	£102,650	£140,386
Regulatory officers	£485,200	£422,950	£427,559
Administrative staff	£126,860	£119,500	£117,390
Employer's National Insurance	£105,000	£83,300	£80,576
Pension costs	£21,500	£18,800	£18,217
Staff benefits	£9,570	£9,450	£7,278
Staff development and training	£10,500	£5,000	£7,170
Staff recruitment costs	£17,600	£0	£31,157
Total staff costs	**£920,850**	**£761,650**	**£829,733**

Key assumptions include £100,000 for external legal and hearing costs because of ongoing cases; £21,000 for diversity initiatives; £99,277 for education and the Education Review; £107,700 for office licence, services and running costs; £62,600 for IT support, CRM operation

and website enhancements; and £82,600 for legal and professional costs. Staff costs reflect a 3.3% projected increase for current staff salaries, the full-year cost of the Chief Executive role, additional data and communications capacity, staff development and recruitment. The 2027 planned operating deficit of £118,331 will be funded from reserves.

Annex 7: Actual versus Budget to 30 June 2026 and Projected Outturn to 31 December 2026

These figures have been prepared for management information purposes and are unaudited. They compare actual income and expenditure for the six months ended 30 June 2026 with budget and show the projected outturn against the 2026 full-year budget.

Item	Six months ended 30 June 2026			Year ending 31 December 2026		
	Actual	Budget	Variance	Projected	Budget	Variance
Income	£1,403,468	£1,401,240	£2,228	£1,435,171	£1,427,025	£8,146
LSB and LeO/OLC levies	£51,916	£55,500	£3,584	£104,776	£111,000	£6,224
Board/Directors	£51,856	£47,350	(£4,506)	£100,875	£116,200	£15,325
Conduct and disciplinary, including assurance and litigation	£35,438	£25,000	(£10,438)	£136,423	£50,000	(£86,423)
Corporation tax	£2,102	£1,000	(£1,102)	£4,309	£2,000	(£2,309)
Diversity initiatives	£19,205	£16,000	(£3,205)	£34,095	£32,000	(£2,095)
Education and projects	£14,409	£99,250	£84,841	£119,252	£198,500	£79,248
Financial expenses	£4,641	£3,900	(£741)	£7,103	£6,000	(£1,103)
General administration	£51,889	£47,500	(£4,389)	£102,685	£95,000	(£7,685)
IT support	£23,653	£22,175	(£1,478)	£52,360	£44,350	(£8,010)
Legal and professional	£29,536	£36,000	£6,464	£66,128	£72,000	£5,872
Legal Choices	£2,900	£8,100	£5,200	£5,800	£16,200	£10,400
PR/communications	£1,920	£1,500	(£420)	£9,920	£3,000	(£6,920)
Staff costs	£420,366	£380,825	(£39,541)	£829,733	£761,650	(£68,083)
Total expenditure	**£709,831**	**£744,100**	**£34,269**	**£1,573,459**	**£1,507,900**	**(£65,559)**
Operating balance	**£693,637**	**£657,140**	**£36,497**	**(£138,288)**	**(£80,875)**	**(£57,413)**

Income detail

Income item	Six months ended 30 June 2026			Year ending 31 December 2026		
	Actual	Budget	Variance	Projected	Budget	Variance
Practising fees: attorneys and entities	£1,380,397	£1,389,490	(£9,093)	£1,399,715	£1,403,525	(£3,810)
Interest received	£13,377	£5,250	£8,127	£24,991	£10,500	£14,491
Late-payment penalty fees	£1,408	£650	£758	£1,408	£1,300	£108
Role-holder registrations	£1,000	£2,275	(£1,275)	£1,000	£4,550	(£3,550)
Licensed and registered body application fees	£1,860	£2,665	(£805)	£2,631	£5,330	(£2,699)
Non-UK qualification application fees	£597	£910	(£313)	£597	£1,820	(£1,223)
Education/accreditation	£4,829	£0	£4,829	£4,829	£0	£4,829
Total income	**£1,403,468**	**£1,401,240**	**£2,228**	**£1,435,171**	**£1,427,025**	**£8,146**

Material variances and forecast assumptions

- Practising fee income is projected at £1,399,715, £3,810 below budget. Other income is projected at £35,456, £11,956 above budget, mainly because interest income is expected to exceed the original assumption.
- Conduct and disciplinary expenditure is projected at £136,423 against a £50,000 budget because of external legal and hearing costs arising from ongoing cases.
- Education and project expenditure is projected at £119,252 against a £198,500 budget, reflecting lower external spend on the Education Review and education recharge costs than budgeted.
- Staff costs are projected at £829,734 against a £761,650 budget. The principal pressures are the full-year Chief Executive cost, Education Review staffing and recruitment costs, including recruitment for 2027 roles brought forward into the final quarter of 2026.
- General administration, IT support and communications are projected above budget, including unbudgeted data development agreed by the IPReg Board. Legal and professional costs, Legal Choices, IPReg Board costs and the regulatory levies are projected below budget.
- The projected operating deficit of £138,288 will be met from reserves if required, in accordance with the Reserves Policy.

Annex 8: Acting in a way compatible with the Regulatory Objectives

Our Business Plan sets out a clear strategic direction, collectively its proposals represent a shift towards a more intelligence-led, outcomes-focused and right-touch regulatory model. Stronger data and stakeholder insight will help us identify material risks and/or unmet needs, inform proportionate regulatory decisions, and enable us to measure and explain the resulting outcomes. The strategic direction seeks to positively impact all the regulatory objectives, given they are not inherently mutually exclusive. However, we take each regulatory objective in turn in this section to provide optimum accountability and transparency.

RO1 – Protecting and promoting the public interest

The proposed data analysis and communications resources will further enable the public interest through increased accountability, transparency, proportionality, demonstration of successful delivery of outcomes, and communication of them.

The IPReg Board has endorsed a regulatory approach of Right Touch Regulation (RTR) for the team to take forward. RTR is outcomes-focused, data-driven and principles-based, embodying the 5 regulatory principles of s28 of the Legal Services Act 2007, with addition of one other, that being "agile". RTR recognises that regulation is one part of a 3-tier[1] system of protection and so helps the regulatory body determine a balanced response tailored to the problem and its risk level.

Our RTR strategy will be focused on achieving the appropriate balance of rights and responsibilities to provide public confidence in the way patent attorneys and trade mark attorneys are regulated. The planned October team away day will help develop and strengthen that strategy, looking at what evidence is telling us, or what evidence is needed, what able to measure, what to stop doing, start or continue, what success would look like, and owners of and timeframes for deliverables. The resulting strategy proposals to be brought back to Board before the end of the calendar year.

RO2 – Supporting the constitutional principle of the rule of law

The proposed data development strategy and appointment of a dedicated data analysis resource would look to strengthen our regulatory insight and supervision positioning. Together with the proposed Ethics Hub, AI Hub, communications resource, and RTR approach, this should strengthen IPReg's regulatory approach whilst remaining accessible, credible, intelligible, clear and predictable (in keeping with our Decision Making Guidance).

RO3 – Improving access to justice

Providers of legal services should be free to innovate and grow. We understand that with a dynamic legal services market come shifting and increasing demands of consumers. We are committed to empowering consumers to access services in any way that suits them. We propose both a stakeholder perception survey and a dedicated consumer survey. Together with the data strengthening proposals, these should help us improve our understanding of the market, both from a consumer perspective as well as a supply side analysis, and to measure how well the needs of stakeholders are being met.

We have recently published AI Guidance for the regulated community and are developing a consumer facing leaflet on AI to help inform the public about their rights (the leaflet was shared with the Legal Services Consumer Panel ahead of going live). We propose that we will also develop an Artificial Intelligence Hub to aid further the regulated community's approach to technology and innovation and to help prevent impediment to access to justice (such as AI-hallucinated cases being brought before court).

Access to justice is underpinned by those who provide legal services having the appropriate legal knowledge. To this end our education review will be consulting on proposals as informed by its Call for Evidence. Call responses have told us about the importance of upholding high professional standards and ensuring and ensuring qualification routes into the professions remain fit for the future. This includes in changing practice contexts and to meet changing client needs.

We have particularly heard about the central role that work-based learning must continue to play in developing trainees' professional competence. Many respondents emphasised the value of supervised practical

experience, mentoring, and workplace support to enable trainees to develop the knowledge, skills and behaviours required for contemporary professional practice. We have also heard the imperatives that any changes arising from the Review must be proportionate for all parties and sensitive to the different needs of the patent attorneys and trade mark attorney professions.

Call responses provided us with valuable profession-specific insights. Patent-specific responses told us about the importance of maintaining technical excellence and ensuring qualification arrangements continue to reflect the specialist nature of patent practice in different roles and environments. Trade mark-specific responses emphasised the increasingly commercial and multi-disciplinary nature of trade mark attorneys' work, and the need for qualification arrangements to reflect evolving areas of practice.

We will be using the Call responses, alongside our wider research and stakeholder engagement activities, to inform the development of our Review proposals. Our activity will focus on making appropriate updates to IPReg's competency frameworks, accreditation standards, and quality assurance arrangements for qualification routes into the professions. The public consultation will focus on the proposals and draft outputs.

RO4 – Protecting and promoting the interests of consumers

In keeping with RTR, the data strategy we are working towards would generate stronger regulatory insights, would be translated into practical regulatory action, the impact of which can be gauged and explained more clearly. Together these would provide stronger, clearer, assurance that regulation is delivering the outcomes sought. It will be supported by the proposed specialist analyst resource, as well as the proposed communication resource to clearly convey regulatory responsibilities, activities and value.

The strengthening of regulatory intelligence, including a consumer survey, will help us identify, understand and articulate better, consumer need in all its forms, as well as consumer expectations and experience. The proposed Artificial Intelligence and Professional Ethics Hubs (please see our Professional Ethical Duties (PED) response) would help the regulated IP community maintain high professional and ethical standards which positively impact the consumer experience.

In addition to the Hub, the focus of our efforts in the PED area will be in response to what our education review identifies is needed and on formulating guidance in areas of potential PED tension particular to the regulated IP sector. In the first instance, this guidance would look to include PED case scenarios relating to conflicts of interest, billing, empowering the reporting of a regulatory breach, and the safe, ethical and effective supervision of use of AI, in service delivery, to meet changing client needs and expectations. As the data strategy further strengthens regulatory insights, those case scenarios will likely further evolve.

With the RTR regulatory model, if the evidence indicates a regulatory tool is appropriate, it should take the form of the minimum necessary intervention. We offer attorneys and firms the opportunity to apply for waivers and do not seek to unnecessarily limit how regulated IP firms innovate and strengthen their offer to consumers. It is to this end that we have issued guidance regarding Artificial Intelligence, technology and innovation, and will be developing an AI Hub for the regulated IP community. We have recently also consulted on a Consumer Leaflet on AI with key stakeholders, in advance of publishing. We appreciate that AI can deliver potential benefits for both professional and consumer. However, those benefits will be realised only if AI is harnessed appropriately and this work programme seeks to promote this.

Where good practice is identified we will share that to help the broader regulated IP community and with the proposed dedicated communications resource such regulatory messages would be communicated more strongly. That resource would include communicating the value of IPReg and regulation to potential consumers.

The work of the education review engaged early with a range of stakeholders, including the Legal Services Consumer Panel (LSCP), and they are represented on the Expert Advisory Group which oversees the review. As above, the education review would look to ensure the attorney qualification routes embody high professional standards, the right knowledge and experience, and take account of changing practice contexts and consumer needs. We also engaged with the LSCP on our AI leaflet for consumers and we will continue to engage proactively with the LSCP throughout our 2027 work programme.

A diverse regulated community is one better able to meet the potentially diverse needs of consumer types in all their forms. Laura Serrant is to host a multi stakeholder roundtable to discuss the recent IPReg Diversity Survey findings and identify mechanisms which might help address barriers to entry and progression.

Additionally, as mentioned in our correspondence in relation to LSB's Conduct of Litigation Review we will develop new supervision guidance, to include a focus on the assignment of deeds, the reserved legal activity most likely to be engaged in the regulated IP sector. Again, such guidance to aid the regulated community to provide the highest standards to consumers. The new communication resource will seek to convey the messages which underpin the guidance.

RO5 – Promoting competition in the provision of services

Competition between individual legal services firms for consumers should drive them to improve their qualitative experience for consumers. Competition for capital should not be at the expense of the former. Therefore, our proposed PED Hub will include ethical case scenarios, including reporting of a regulatory breach and conflicts of interest, and appropriate supervision of AI, to help support that qualitative consumer experience.

The new data analysis resource and the data development strategy should strengthen our regulatory insights and together with the Right Touch Regulation approach, and findings from the education review, the diversity survey and any thematic review, this should enable us to identify whether any of our current regulatory requirements unintentionally constrain innovation and growth, or even market entry. The new communications resource will help IPReg convey where such changes might as well as the value of being registered with IPReg.

RO6 – Encouraging an independent, strong, diverse and effective legal profession

The interests of the public, consumers and the profession are not necessarily mutually exclusive. As above, a diverse regulated community is one better able to meet the potentially diverse needs of consumer types in all their forms as well as harness the broadest possible range of talent. The education review proposals will seek to remove unnecessary barriers of entry and progression. Additionally, as above, Laura Serrant is to host a multi stakeholder roundtable to discuss the recent IPReg Diversity Survey findings and identify mechanisms which might help address barriers to entry and progression.

We are currently undertaking a review of our EDI commitments with the intention of bringing a new umbrella EDI Policy and work programme to our Board before the end of the calendar year.

We will continue to have a reserve allocated to EDI initiatives and will consider applications from those who deliver diversity initiatives to communities that are under-represented in the regulated IP sector.

RO7 – Increasing public understanding of the citizen's legal rights and duties

The proposed communications resource would convey to stakeholders the value of regulation, including to those who might look to engage an attorney, and this would be assisted by reviewing the accessibility of our website. We will continue to proactively engage with the LSCP in relation to public facing materials.

RO8 – Promoting and maintaining adherence to the professional principles

The strengthened regulatory intelligence and insight which is one of the main threads of the planned activity, will help us ensure that the regulated community demonstrate the professional principles of independence and integrity; maintaining proper standards of work; best interests of clients; duty to court; and confidentiality. Both proposed Hubs, and the outcomes of the education review, would also support the professional principles.

RO9 – Promoting the prevention and detection of economic crime

Most patent and trade mark attorney activities fall outside the money laundering regulations. Previous analysis suggested limited AML/terrorist-financing risk in the regulated IP sector and current data suggests only c30% of IPReg-regulated firms hold client money. However, we also recognise that economic crime is broader than AML and includes bribery, fraud, theft and related risks. Therefore, we are proposing a thematic review to look

at how economic crime might manifest in IPReg-regulated practices, the features of practices that hold client money, and how long client money is held.

The broader work on stronger intelligence gathering, risk identification, and utilisation of data sources such as PAMIA the main professional indemnity insurance provider of the regulated community should support this objective.

A recent meeting of the IP Practice Directors Group, which our CEO attends, flagged economic crime and financial integrity as emerging regulatory focus areas, with possible further work on sanctions awareness and shared anti-money laundering/know your client training to follow.

Annex 10 – Consultation responses

Summary and IPReg Response

We welcome the constructive and detailed responses received. Overall, respondents were supportive of IPReg's direction of travel, including our commitment to proportionate, evidence-led and risk-based regulation. We also recognise that a number of respondents asked for clearer links between planned activity, expenditure, regulatory outcomes and measurable public benefit.

We have therefore considered where the final Business Plan and supporting materials can provide further explanation and transparency. Respondents who would like to further discuss our strategic priorities and planned activities are welcome to contact us to arrange time to speak further.

2. Business Plan and measurable outcomes

In response to comments from CIPA, CITMA, the LSCP and others, we will review the final Business Plan to ensure that key workstreams explain more clearly the regulatory risk or need being addressed, the intended outcome, the principal activities, and the way in which progress will be monitored. This will help stakeholders assess whether IPReg's work is proportionate, effective and delivering value.

3. Budget and fees

We note the comments on practising fees and the overall cost of regulation. The proposed increase remains below CPI and is intended to support delivery of the Business Plan while continuing to make prudent use of reserves.

However, we recognise the importance of providing a clearer explanation of significant cost movements, including staff costs, communications investment, disciplinary expenditure and the use of reserves. We have therefore provided further clarification in the Business Plan and final budget narrative.

We will explore the suggestions made by IP Inclusive in terms of pro-rating fees and providing clearer information about the various fee paying categories and the utilisation of the non-practising fee category.

4. Diversity and inclusion

We welcome the strong and constructive feedback on diversity, equality and inclusion. We agree that diversity is relevant not only to education and qualification pathways but also to public confidence, access to justice, professional standards and the long-term strength of the regulated professions.

We have sought to make this connection in the final Business Plan more explicit, including through the use of updated diversity data obtained from our most recent survey and clearer explanation of how diversity evidence informs regulatory work.

5. Education Review

We welcome the continued support for the Education Review and the helpful comments on accessibility, transition, cost transparency and future qualification pathways. We note in particular the comments on the patent scientist/engineer apprenticeship and will ensure that the final Business Plan avoids implying that it is itself a regulated professional status or a fixed part-qualification route. Further detail will be provided through the planned consultation on the Review's proposals and outputs.

6. AI, data and communications

Respondents generally supported the proposed investment in data, intelligence, technology and communications, while asking for clearer evidence of the benefits expected. We have clarified the intended outputs of these workstreams, including how improved data and communications will support risk-based regulation, consumer understanding, compliance and public protection.

We acknowledge the impact of AI on the regulated community and those they serve, recognising the risks and impacts of new technologies, as well as the advantages and opportunities. We will continue to explore this closely through the Education Review and through collaborative work with CIPA and CITMA.

7. Role boundaries and communications

We note the comments about the boundary between IPReg's regulatory role and the representative roles of CIPA and CITMA. IPReg's communications and engagement work will remain focused on its regulatory functions, prioritising public understanding of the protections provided by regulation and the standards expected of regulated professionals. We will continue to work collaboratively with the representative bodies where our roles are complementary.

8. Specific technical points

We have reviewed the specific points raised about budget figures, Legal Choices funding, deficit figures, the LSB levy assumption, disciplinary cost recovery and the commencement date in the draft Practising Fee Regulations, and have corrected or clarified these as necessary in the final documents.

9. The regulation of attorneys in Scotland

We are grateful to the respondent that raised the issue of the regulation of attorneys in Scotland, and particularly, the use of the title "lawyer" by IPReg regulated attorneys in Scotland. We recognise the importance of ensuring that the position of registered patent and trade mark attorneys in Scotland is properly understood and that no unintended disadvantage arises. We will consider this issue further, including whether engagement with the Law Society Scotland, Scottish Legal Complaints Commission or other relevant bodies is appropriate.

Annex 10 - Organisational consultation responses

We welcome the constructive and detailed responses received. Overall, respondents were supportive of IPReg's direction of travel, including our commitment to proportionate, evidence-led and risk-based regulation. We also recognise that a number of respondents asked for clearer links between planned activity, expenditure, regulatory outcomes and measurable public benefit.

We have therefore considered where the final Business Plan and supporting materials can provide further explanation and transparency. Respondents who would like to further discuss our strategic priorities and planned activities are welcome to contact us to arrange time to speak further.

2. Business Plan and measurable outcomes

In response to comments from CIPA, CITMA, the LSCP and others, we will review the final Business Plan to ensure that key workstreams explain more clearly the regulatory risk or need being addressed, the intended outcome, the principal activities, and the way in which progress will be monitored. This will help stakeholders assess whether IPReg's work is proportionate, effective and delivering value.

3. Budget and fees

We note the comments on practising fees and the overall cost of regulation. The proposed increase remains below CPI and is intended to support delivery of the Business Plan while continuing to make prudent use of reserves.

However, we recognise the importance of providing a clearer explanation of significant cost movements, including staff costs, communications investment, disciplinary expenditure and the use of reserves. We have therefore provided further clarification in the Business Plan and final budget narrative.

We will explore the suggestions made by IP Inclusive in terms of pro-rating fees and providing clearer information about the various fee paying categories and the utilisation of the non-practising fee category.

4. Diversity and inclusion

We welcome the strong and constructive feedback on diversity, equality and inclusion. We agree that diversity is relevant not only to education and qualification pathways but also to public confidence, access to justice, professional standards and the long-term strength of the regulated professions.

We have sought to make this connection in the final Business Plan more explicit, including through the use of updated diversity data obtained from our most recent survey and clearer explanation of how diversity evidence informs regulatory work.

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CIPA THE CHARTERED INSTITUTE OF PATENT ATTORNEYS

Jay Parmar
Chief Executive
Intellectual Property Regulation Board
20 Little Britain
London
EC1A 7DH

25th August 2026

Dear Jay,

IPReg Business Plan, Budget and Practising Fees 2027/28

Thank you for the opportunity to respond to IPReg's consultation on its Business Plan for 2027/28, 2027 budget and proposed practising fees. The Chartered Institute of Patent Attorneys (CIPA) is responding in its capacity as the Approved Regulator for patent attorneys, as defined in the Legal Services Act 2007, and as the representative professional body for Chartered Patent Attorneys.

Business Plan

CIPA supports effective, independent regulation of the patent profession and recognises that IPReg must have the resources and capability necessary to discharge its regulatory responsibilities properly.

We welcome the emphasis in this year's consultation on right-touch regulation that is evidence-led, proportionate, targeted, transparent and outcome-focused. We particularly welcome IPReg's stated intention to provide the profession with a clearer line of sight between practising fees and regulatory outcomes and to demonstrate more clearly the value and impact of regulation.

In our view, however, the Business Plan does not yet fully deliver that ambition.

A significant proportion of the Plan describes activities that IPReg intends to undertake, rather than the outcomes it intends to achieve and the measures by which stakeholders will be able to assess whether those outcomes have been achieved. This distinction is important. Transparency requires more than explaining what activity a regulator proposes to undertake; it requires the regulated community to be able to understand why that activity is necessary, what regulatory risk or problem it is intended to address, what resources will be devoted to it and how its effectiveness will subsequently be assessed.

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This is particularly important because IPReg's 2026 Business Plan committed to fostering transparency and accountability by regularly publishing performance metrics, regulatory outcomes and strategic updates. We would therefore have expected the 2027 Business Plan to build on that commitment by including measurable indicators of performance and impact.

CIPA recommends that future business plans, beginning with the final 2027 Plan, include for each significant programme of work:

- the regulatory risk, evidence or identified problem giving rise to the proposed activity;
- the intended regulatory outcome;
- the principal activity proposed to achieve that outcome;
- the resources allocated to it;
- an expected timetable and clear accountability for delivery;
- appropriate performance measures, including a baseline and target where these can reasonably be established; and
- how and when IPReg will report publicly on whether the intended outcome has been achieved.

This would provide the clear line of sight between practising fees and regulatory outcomes that IPReg itself identifies as an objective of this consultation. It would also allow the profession, CIPA and the Legal Services Board to assess IPReg's performance against its own stated priorities.

Proportionality and value for money

The same approach is necessary if IPReg is to demonstrate that its regulation is proportionate.

CIPA does not suggest that regulatory expenditure should be judged by cost alone. Nor do we believe that the least expensive regulatory intervention will necessarily be the right one. Effective regulation requires adequate resources.

However, proportionality requires a demonstrable relationship between the scale of an identified regulatory risk and the scale and cost of the regulatory response. Where IPReg proposes additional activity or capability, stakeholders should be able to understand the evidence for the regulatory need, the alternatives considered and why the proposed intervention represents a proportionate use of registrants' money.

This is increasingly important given the growth in IPReg's expenditure. Budgeted total expenditure has increased from £1.224m in the 2024 budget to £1.661m proposed for 2027, an increase of approximately 35.7%. Over the same period, budgeted staff costs have increased from £566,000 to £911,820, an increase of approximately 61.1%.

The increase in staff costs between the 2026 and 2027 budgets alone is approximately 19.7%, from £761,650 to £911,820. We recognise that this includes the move to a full-time Chief Executive, additional data and communications resource, recruitment expenditure and increased investment in staff development. These may all be legitimate investments. However, the scale of the increase reinforces the need for a clear

explanation of the additional regulatory outcomes that the increased capacity is expected to secure.

It would also be helpful to understand which elements of the additional staffing capacity are intended to be permanent and which are temporary, fixed-term or time-limited, particularly where additional capacity is associated with specific projects such as the Education Review. This is important in understanding the extent to which the proposed investment represents a continuing addition to IPReg's underlying cost base.

We note, for example, the intention to recruit additional specialist resource in data and communications. CIPA can see the potential value of stronger regulatory intelligence and of clearer communication. In relation to data, the Business Plan should identify the specific gaps in IPReg's present evidence base, the regulatory decisions that better data will enable IPReg to make and how the impact of that additional capability will be measured. IPReg should also consider the extent to which relevant data is already held by CIPA, CITMA or other stakeholders, and seek to avoid unnecessary duplication in developing its own data capability.

Similarly, communications activity should remain firmly connected to IPReg's regulatory functions. The objective should not simply be to achieve greater visibility for IPReg as an institution. Any communications expenditure and resource should be justified by reference to identifiable regulatory outcomes, such as better consumer understanding, improved compliance or more effective communication of regulatory requirements.

We therefore suggest that IPReg should publish, alongside the final Business Plan, a clearer explanation of how each material increase in expenditure contributes to the strategic objectives and how value for money will be assessed.

Education Review

CIPA welcomes the greater detail provided on the timetable for the Education Review and the commitment to consult publicly on its proposals and draft outputs and outcomes during the first quarter of 2027.

This is an improvement on the position at the time of last year's consultation, when CIPA expressed concerns about the transparency of the Review, including its scope, methodology, timetable and reliance on external expertise.

It will be important that the forthcoming consultation demonstrates clearly how the evidence obtained through the Call for Evidence and Feedback has informed IPReg's proposals. Stakeholders should be able to trace the evidence received, the conclusions IPReg has drawn from that evidence and the regulatory justification for any proposed changes.

CIPA welcomes IPReg's constructive engagement with the development of the prospective Level 6 patent scientist/patent engineer apprenticeship and its willingness to consider how the apprenticeship may operate within the wider qualification pathway.

We would, however, suggest some caution in describing the apprenticeship as a "part-qualification route". The nomenclature of "patent scientist/patent engineer" was adopted for the apprenticeship standard because the terminology "part-qualified patent attorney"

was not suitable for this purpose. It was not intended to establish a new stand-alone professional status or regulated role.

CIPA's intention in developing the apprenticeship has been to create an accessible and structured pathway which can form part of progression towards qualification as a patent attorney. Individuals who complete the apprenticeship will naturally acquire transferable knowledge and skills and may ultimately choose different career paths, but that is distinct from treating "patent scientist" or "patent engineer" as a separate professional destination within the regulatory framework.

We would therefore encourage IPReg to reflect this distinction in the final Business Plan and in its wider consideration of qualification pathways through the Education Review.

We note that the proposed 2027 budget reduces the specific allocation for the Education Review from £177,500 in 2026 to £78,277 in 2027, a reduction of approximately 56%. IPReg explains that this budget line represents anticipated external costs associated with the Review.

CIPA would welcome greater clarity on the reasons for this significant reduction. The programme of work described for 2027 does not appear materially less substantial. It includes consultation on the Review proposals, finalisation of the outputs and outcomes, preparation and submission of any necessary rule changes to the Legal Services Board, determination of the future implementation date and, from late 2027, the commencement of a structured transition towards implementation.

We recognise that the nature of the expenditure may change as the Review progresses and that a greater proportion of the work may now be undertaken internally. Indeed, IPReg states elsewhere in the consultation that current staff capacity has been increased because of the significant work associated with the time-limited Education Review, while the budget notes that staff costs for the Education Working Group are included within the general Staff Costs budget.

This makes it difficult to identify the true cost of the Education Review from the figures in the proposed budget. CIPA would therefore welcome a consolidated account showing:

- the total expenditure on the Education Review to date, distinguishing external expenditure from internal staff costs where reasonably practicable;
- the proportion of the £177,500 budgeted for 2026 that IPReg now expects will be spent and the reasons for any material variance;
- the basis on which the substantially lower figure of £78,277 for external expenditure in 2027 has been calculated;
- the internal staff resource expected to be devoted to the Review during 2027 and how this compares with 2026;
- the anticipated costs of transition and implementation beyond 2027; and
- the intended treatment of the £200,000 Education Review Reserve as the Review moves into implementation.

CIPA raised concerns in its response to last year's consultation about the lack of clarity over how the £177,500 allocation had been calculated. The substantial reduction in the corresponding budget this year, while the Review continues to require significant

internal resource and enters a critical phase, reinforces the case for greater transparency.

This is not simply a question of whether expenditure on the Review is too high or too low. Without a consolidated picture of external expenditure, internal resource and reserves, it is difficult for stakeholders to assess either the total cost of the Review or whether the resources devoted to it are proportionate to the regulatory outcomes it is intended to achieve.

Risk, data and regulatory intelligence

CIPA supports a genuinely risk-based approach to regulation. We therefore welcome IPReg's intention to improve its use of data and intelligence and to identify emerging risks at an earlier stage. For this approach to command confidence, IPReg should be transparent about the risks it identifies and, where appropriate, the evidence supporting its assessment of those risks.

A risk-based model should also demonstrate restraint. Better intelligence should enable IPReg not only to identify areas where intervention is required, but also to identify areas where regulatory activity can be reduced because the evidence demonstrates that risk is low.

We would therefore welcome a commitment from IPReg to explain in future business plans how its assessment of regulatory risk has influenced both decisions to undertake new activity and decisions not to intervene. That would be an important demonstration of right-touch and proportionate regulation.

The PII Sandbox provides a useful example. IPReg acknowledges that participation remains small and that there have been no complaints concerning the firms and sole traders participating in it. Continued monitoring may be appropriate while the evidence base develops, but CIPA welcomes the recognition that the Sandbox cannot continue indefinitely. A risk-based approach should ultimately lead to a clear decision on whether the regulatory intervention remains necessary and proportionate.

CIPA supports appropriate regulatory arrangements that do not create unnecessary barriers to insurers wishing to enter the market or to regulated firms seeking alternative arrangements. Effective competition should be facilitated where possible, while maintaining appropriate standards of consumer protection.

Technology and artificial intelligence

We welcome the more explicit recognition this year of the effect of technology and AI on the provision of legal services related to IP.

As CIPA observed in its response to last year's consultation, IPReg should consider both the regulatory risks associated with the use of AI by regulated persons and the opportunities for IPReg itself to use AI responsibly to improve regulatory effectiveness and efficiency.

CIPA welcomes IPReg's commitment to work collaboratively with CIPA, CITMA and other legal regulators to understand the use of technology and AI in the provision of

legal services related to IP, including the associated risks and opportunities. This work should itself be evidence-led and proportionate and should recognise the considerable potential for responsible use of AI to improve the delivery of professional services.

IPReg should also consider how AI can reduce the cost and administrative burden of regulation. Where investment in data and technology produces efficiencies, CIPA would expect those efficiencies to be identified and, over time, reflected in IPReg's resource requirements and the cost borne by registrants.

Legal Services Board

CIPA remains concerned about the continuing increase in the cost and workload generated by the Legal Services Board.

We note that, at the time of preparing the consultation, IPReg did not have a final figure for the LSB levy and has therefore budgeted on the assumption of a further increase equivalent to the 9.24% increase applied in the preceding year. We recognise that the timing and amount of the levy are outside IPReg's control. However, this introduces a material element of uncertainty into the budget on which the proposed practising fees are based.

We would therefore welcome confirmation of how IPReg intends to respond if the final levy differs materially from the amount budgeted. In particular, if the eventual levy is lower than assumed, IPReg should explain whether and how that saving will be reflected in expenditure, reserves or future practising fees. Equally, if the levy is materially higher, IPReg should be transparent about how the additional cost will be funded.

CIPA nevertheless believes that the same principles of proportionality and value for money should apply to regulatory oversight. We will continue to challenge unnecessary or disproportionate increases in the cost and burden of oversight where appropriate.

Advocacy

CIPA notes IPReg's intention to develop its advocacy, including by developing strategic relationships with the Legal Services Board and UK Government, and its wider proposals to strengthen IPReg's voice and value.

We recognise that IPReg has a legitimate and important role in engaging with Government, the LSB and other stakeholders where this relates to the effective discharge of its regulatory functions. This includes explaining the operation and impact of regulation, making the case for proportionate and evidence-led regulatory oversight and promoting public understanding of the protections and assurance provided by choosing a regulated patent or trade mark attorney.

We are, however, less clear about the intended scope of IPReg's proposed advocacy role. The Business Plan refers not only to demonstrating the value of regulation but also to supporting the sustainability and growth of the profession and demonstrating the contribution regulated attorneys make to innovation, business growth and the wider economy.

These objectives extend beyond the promotion of the benefits of regulation and into issues which should be dealt with by the professions themselves and their representative bodies.

The distinction is important. CIPA respects the separation between representative and regulatory functions and IPReg's independence in exercising the regulatory functions delegated to it. We believe there should be equivalent clarity about the boundary between IPReg's regulatory role and the representative roles of CIPA, CITMA and the regulated community.

We would therefore welcome greater clarity from IPReg as to:

- what it means by advocacy;
- the outcomes it intends this activity to achieve;
- how those outcomes relate to its statutory regulatory objectives; and
- how it will ensure that activity funded through practising fees remains within an appropriately defined regulatory role.

CIPA would be pleased to work with IPReg where our respective roles are complementary. In particular, there is clear common ground in promoting public understanding of the benefits and protections associated with using appropriately qualified and regulated professionals. Where the objective is wider promotion or representation of the professions, however, we believe the representative bodies should take the lead.

Consumer-facing communications should be directed towards providing accurate and proportionate information about the protections associated with regulation and supporting informed choice, rather than the wider promotion of the professions or of IPReg itself.

Budget and practising fees

CIPA recognises that the proposed increase in practising fees of 2.97% is below the prevailing rate of inflation and is lower than some increases proposed in recent years.

Our principal concern this year is not the percentage fee increase viewed in isolation but whether the Business Plan and budget provide sufficient information to establish that the overall level of expenditure is necessary and proportionate.

IPReg describes the proposed fee level as the minimum credible level of funding required to deliver the Business Plan. That is an important assertion but the consultation does not provide sufficient analysis to demonstrate how that conclusion has been reached. Greater transparency about alternative resourcing options considered, efficiencies identified and the relationship between additional expenditure and intended regulatory outcomes would give stakeholders greater confidence in that assessment.

The consultation indicates that the proposed 2.97% increase will increase budgeted practising fee income by £78,226. However, it does not provide a sufficiently clear explanation of the additional expenditure that this particular increase is intended to fund, as distinct from expenditure funded through growth in the regulated community, other income or the planned use of reserves. Providing that analysis would enable registrants

to understand more readily why an increase of 2.97%, rather than some other figure, is considered necessary.

We also continue to believe that growth or decline in the regulated community should be shown explicitly in IPReg's financial modelling. CIPA has raised this point in successive consultations. The impact of growth in registrant numbers on practising fee income should be identifiable and separated from the effect of an increase in the fee charged to each registrant. This would make it substantially easier to understand changes in IPReg's income and determine the extent to which further fee increases are necessary.

Reserves

CIPA recognises the importance of maintaining prudent reserves, particularly to manage unexpected disciplinary expenditure, disruption to fee collection and other genuine regulatory risks.

We note that IPReg's Reserves Policy identifies the purposes for which reserves are maintained and that the General Contingency Reserve is calibrated by reference to three months' total expenditure. We also recognise the importance of the separate £240,000 Assurance, Disciplinary and Litigation Reserve, particularly given IPReg's reported increase in the volume and complexity of complaints and its decision to increase annual budgeted conduct and disciplinary expenditure from £50,000 to £100,000.

However, it is less clear how IPReg determines the appropriate level of reserves held against particular regulatory risks other than the General Contingency Reserve. We would welcome greater transparency about the methodology and risk assessment used to determine these amounts, particularly for disciplinary and litigation risk, and the circumstances in which each reserve would be drawn upon or replenished.

The purpose of greater transparency should not be to encourage reserves to be reduced to an imprudent level. CIPA considers it important that IPReg maintains sufficient financial resilience to discharge its regulatory responsibilities, including the investigation and, where necessary, prosecution of complex disciplinary matters and associated litigation. The appropriate level should, however, be demonstrably related to an assessment of the risks for which the reserve is maintained.

Against that background, the consultation shows adjusted reserves for 2026 of approximately £1.248m and anticipates further operating deficits funded from those reserves.

We would welcome a clearer medium-term projection showing the anticipated level and composition of reserves over the period covered by the Business Plan, including the expected drawdown for planned expenditure and the minimum level IPReg considers necessary for resilience.

We would also ask IPReg to clarify an apparent inconsistency in the consultation. Paragraph 6 of the introductory section refers to drawing on reserves to fund a projected loss of £91,209 in 2027 whereas the 2027 budget at Annex C shows a projected operating deficit of £125,871. These figures should be reconciled in the final Business Plan and budget.

Greater transparency in this area is particularly important where reserves are being used to support recurring expenditure or investment in additional organisational capacity. Stakeholders should be able to distinguish clearly between genuinely time-limited expenditure and expenditure that will become part of IPReg's continuing cost base.

Equality Impact Assessment

CIPA has no specific evidence to suggest that the proposed practising fee increase will have a disproportionate impact on a particular group with protected characteristics.

CIPA continues to support efforts to improve diversity within the patent attorney profession. We note in particular the evidence from IPReg's 2024 diversity survey concerning the under-representation of Black respondents within the patent attorney profession. We therefore welcome IPReg's intention to use the findings of its 2026 diversity survey to identify where its regulatory levers can appropriately support greater diversity, including through its education workstreams.

Consistent with our comments elsewhere in this response, we believe this work should move beyond identifying disparities to establishing evidence-led objectives and appropriate measures against which progress can be assessed. We would also encourage IPReg to continue aligning its work, where appropriate, with initiatives across the IP sector such as IP Inclusive, so that data can be compared, effective interventions identified and progress evaluated consistently.

Conclusion

CIPA welcomes the direction of travel represented by the 2027 Business Plan. In particular, we support IPReg's stated commitment to regulation that is evidence-led, proportionate, targeted, transparent and outcome-focused.

The challenge now is to translate those principles into a business planning and reporting framework which allows the regulated community to see them operating in practice.

The profession should be able to understand the regulatory risk or need that IPReg has identified, why the proposed intervention is considered an appropriate and proportionate response, the resources required to deliver it, the outcome IPReg expects to achieve and, ultimately, the evidence by which its effectiveness can be assessed. Greater clarity in these areas would improve transparency, enable meaningful scrutiny of proportionality and value for money and provide stronger evidence of the public value of regulation.

This would also enable a more informed debate about practising fees. The question should not simply be whether a proposed annual increase is above or below inflation. It should be whether the total resources available to IPReg are proportionate to the risks it regulates and whether there is demonstrable evidence that those resources are being used effectively.

CIPA therefore encourages IPReg to build measurable outcomes, performance indicators and clearer financial analysis into the final 2027 Business Plan and to report publicly against them during and after the year.

We look forward to continuing to work constructively with IPReg to support a regulatory framework that is effective, transparent, proportionate and trusted.

Yours sincerely

Lee Davies
Chief Executive

CITMA The Chartered Institute of Trade Mark Attorneys

IPReg consultation on 2027/28 Business Plan, 2027 Budget and Practising Fees

The Chartered Institute of Trade Mark Attorneys (CITMA) is responding to the consultation by IPReg on its 2027/28 Business Plan, 2027 Budget and Practising Fees in its capacity as an Approved Regulator, as defined in the Legal Services Act 2007, and as the representative body for Chartered Trade Mark Attorneys and the wider trade mark and design profession. We are grateful to IPReg for the opportunity to comment.

Our response answers the specific questions posed in the consultation.

Question 1. What are your views on the proposed Business Plan?

General comments
Many of the activities contained within the 2027 Business Plan are a continuation of themes which have featured in recent years and therefore we generally support the proposed plan.

We welcome the continuing focus on evidence-based and risk-based regulation, maintaining high professional standards and ensuring that regulation remains proportionate and outcomes-focused.

We note that this Business Plan represents a more significant evolution in IPReg's operating model than previous plans, with an increased emphasis on data, intelligence, communications, public engagement and regulatory assurance. We support these objectives in principle, provided that the activities undertaken remain proportionate to the size and risk profile of the regulated community.

Driving forward the work on education
We remain generally supportive of the Education Review and welcome the progress made to date. We also welcome IPReg's continued commitment to stakeholder engagement and consultation throughout the process.

As we have noted in previous consultation responses, it remains important that due consideration is given to the Registered Trade Mark Attorney qualification route alongside the patent attorney qualification route. Any future arrangements should ensure there are no unintended consequences for the trade mark profession and that opportunities for improvement are considered across both professions where appropriate.

The proposed timetable is lengthy, and we have some concerns as to whether the pace of the review will keep up with the pace of change across the profession. We understand the need for consultation, detailed implementation planning and subsequent rule approval processes, but this needs to be balanced against the cost of the project and the speed at which change may be required.

We encourage IPReg to continue collaborating closely with stakeholders to ensure any transition arrangements are realistic, practical and minimise disruption to students, employers and training providers.

Economic crime thematic review
We support the proposal to undertake thematic work in relation to economic crime and the handling of client money. Understanding any risks within the regulated community is clearly important in supporting the new regulatory objective relating to the prevention and detection of economic crime.

However, given the nature of the intellectual property profession and the relatively limited number of firms holding client money, we encourage IPReg to ensure that any future regulatory interventions remain evidence-led and proportionate to the actual risks identified.

We would welcome publication of the findings of the review and appropriate consultation before any significant regulatory changes are considered.

Assessing the impact of the PII Sandbox
We continue to support the current cautious approach to the PII Sandbox. As noted in previous consultations, professional indemnity insurance remains an important consumer safeguard and any changes should be subject to careful assessment and consultation.

The limited participation in the Sandbox suggests that further evidence gathering remains appropriate before wider conclusions are drawn. This needs to be looked at in respect of the limited number of insurance providers in the market who meet IPReg's minimum terms and conditions.

Building the evidence base
CITMA supports IPReg's ambition to improve its use of data and intelligence. Better data can help ensure regulatory decisions are targeted, proportionate and evidence led.

We would, however, welcome further clarity on:

- the specific outputs expected from the expanded data capability;
- how success will be measured;
- how additional intelligence gathering will reduce regulatory risks or improve outcomes; and
- how duplication with data held by other stakeholders will be avoided.

Diversity
We welcome the continued ring-fencing of reserves for diversity initiatives and the intention to analyse the results of the 2026 diversity survey.

We particularly welcome the intention to use diversity evidence to inform future education arrangements and widen participation into the profession.

Responding to LSB consultations and related work
As we have stated in previous responses, we remain concerned about the volume of activity generated by the Legal Services Board and the impact this has on the cost of regulation.

The consultation again confirms that substantial resource is required for LSB-related activity. We expect to see the LSB's proposals to adopt a different approach to feed through into less resource required by IPReg to ensure compliance. Whilst it would be prudent not to make assumptions on any savings, if the requirements are lessened, we would expect to see appropriate adjustments in the 2028 budget.

We continue to encourage IPReg to seek opportunities, working with other legal regulators where appropriate, to minimise duplication and ensure that regulatory costs remain proportionate.

Encouraging innovation and AI
We are pleased to see continued recognition of technology and AI within the business plan and support the collaborative approach being taken by IPReg with CITMA, CIPA and with other regulators.

As adoption accelerates across the profession, maintaining an appropriate balance between encouraging innovation and ensuring public protection will remain essential.

Visible regulator
We strongly support IPReg's ambition to be a more visible regulator and to improve public understanding of regulated intellectual property services. Greater visibility of the regulator can help reinforce confidence in the profession, make it clearer to businesses and the public why they should seek advice from appropriately qualified and regulated professionals, and support the wider work being undertaken by CITMA to promote the value, expertise and public-interest contribution of Chartered Trade Mark Attorneys and the trade mark and design profession.

This is an area where the regulatory and representative roles are distinct but complementary. IPReg is best placed to explain the protections that regulation provides, the standards expected of authorised individuals and firms, and the safeguards available to consumers. CITMA, as the representative body, has an important role in promoting the profession, supporting member engagement, raising awareness of the value of specialist trade mark and design advice, and representing the profession to government, policymakers, business and the public.

We would therefore welcome IPReg's communications work being developed in close collaboration with CITMA and CIPA so that public-facing messages are consistent, mutually reinforcing and clearly distinguish between regulatory assurance and professional representation.

This work could support public protection, improve understanding of the regulated professions, encourage appropriate use of qualified advisers and help strengthen the reputation and visibility of the intellectual property sector as a whole.

We would be interested to understand how success will be measured and how visibility to the relevant public will be meaningfully achieved.

Question 2. Do you have any evidence of impact or comments on the Equality Impact Assessment?

We do not currently have any additional evidence regarding the impact of the proposals on different categories of individuals or firms.

We have no substantive comments on the Equality Impact Assessment. We welcome the decision to update the assessment following publication of the 2026 diversity survey and support the continued use of evidence to inform future policy development.

Question 3. What are your views on the proposal to increase practising fees by 2.97%?

In previous responses we have consistently stated that we would like to see the overall cost of regulation reduce over time and, where possible, result in lower or frozen practising fees. This remains our overall position.

Notwithstanding this, we recognise that the proposed increase of 2.97% is below CPI inflation and that IPReg intends to continue using reserves to support delivery of its business plan priorities.

We would welcome a clearer medium-term plan setting out how future efficiency gains arising from technology, data capability, process improvements and organisational investment will contribute towards stabilising or reducing practising fees in future years.

Question 4. What are your views on the proposed 2027 Budget?

We welcome the increased transparency provided within the budget documentation compared with previous years. The level of narrative supporting individual budget lines is helpful and enables more informed scrutiny.

There are, however, several areas where we would comment or welcome further information.

Staff costs
Staff costs increase from £761,650 to £911,820, representing the most significant increase within the budget. The increase is attributed in part to additional communications and data posts and a full-year CEO salary.

We would welcome further information on whether these positions are permanent or time-limited and the anticipated return on investment from these appointments.

Conduct, disciplinary, assurance and litigation costs
The proposed budget doubles this line from £50,000 to £100,000 due to case complexity and complaint volumes.

The consultation indicates that some if not all of the cost can be recovered following the outcome of the cases. However, in the projected income it states “No income estimate has been included for costs awards or fines from disciplinary case, as these are not within our control.

It would be helpful to understand if income from previous cases which have been concluded have been recovered to date.

It would seem reasonable based on previous cases to make a working assumption on the level of costs which can be recovered and therefore income received to offset the expenditure.

Communications investment
The budget includes additional communications expenditure alongside dedicated communications resource.

We would welcome greater detail on the specific outputs, objectives and anticipated benefits of these investments.

Reserves
We note the continued use of reserves to fund planned deficits and support strategic investment.

While we support the prudent use of reserves for strategic and time-limited projects, we encourage IPReg to ensure that ongoing expenditure commitments are sustainable over the longer term without creating future pressure for larger practising fee increases.

Question 5. Do you have any comments on the draft Practising Fee Regulations?

We have no comments on the draft regulations.

We would be happy to discuss any of these points further with representatives from IPReg if that would be helpful.

For and on behalf of the Chartered Institute of Trade Mark Attorneys

Keven Bader
Chief Executive

24th August 2026

Intellectual Property Regulation Board (IPReg)
20 Little Britain
London EC1A 7DH

Sent by email only to info@ipreg.org.uk

24 August 2026

Dear Jay,

Consultation: 2027/28 Business Plan and Budget and Practising Fees

The Legal Services Consumer Panel (Panel) welcomes the opportunity to comment on IPReg's proposed 2027/28 Business Plan and Practising Fees consultation.

Question 1: What are your views on the proposed Business Plan?

The Panel welcomes the move towards a "right-touch", intelligence-led regulatory model. We support the focus on early risk identification and stronger public assurance, and we offer the following comments on the three Strategic Objectives:

- **Strategic Objective 1: Understanding and Responding to Consumer Risks**
  We support the focus on strengthening the evidence base, especially given the limited consumer research currently available in this sector. To be truly effective, consumer needs must be the primary driver of regulatory reform rather than a separate consideration at each step. We also encourage IPReg to continue improving the accessibility and visibility of information, ensuring consumers have clear routes to redress and a firm understanding of the standards they should expect.

  In this context, we were unable to identify a distinct budget line for consumer research in the financial information published alongside the consultation. Figure 2 (p.16) sets out the planned expenditure breakdown, but does not appear to separately identify what, if anything, is earmarked for consumer-facing research to strengthen the consumer evidence base.

- **Strategic Objective 2: Promoting and Maintaining High Standards**
  The Panel supports the continuing work on the Education Review and considers it important that consumer needs remain central to the reform process.[1] In the Panel's response to the Education Review Call for Evidence, we emphasised that:

[1] 26.04.30-LSCP-Response-IPReg-Education-Review-Call-for-Evidence.pdf

- Day one capability: New practitioners must be trained to recognise the limits of their own competence and know exactly when to seek additional expertise.
- Practical and clinical learnings: We strongly support the progress on apprenticeship routes and clinical legal education. Practical, client-facing experience is essential for developing the ethical and professional skills needed in a real-world context.
- Service delivery: The Panel's own research has shown that as models evolve, standards must reflect what consumers value: human support, transparency, and a provider's ability to understand their full context.[2]

- **Strategic Objective 3: Regulatory Efficiency and Effectiveness**
  The Panel supports the commitment to risk-based, proportionate regulation. We agree with the need for IPReg to be appropriately resourced to reduce "operational fragility". However, IPReg must clearly articulate how its planned expenditure and fee levels directly translate into positive consumer outcomes.

  We would also encourage IPReg to set out, for each of the strategic initiatives described in the business plan, clear and measurable success criteria. Without defined metrics or milestones against which progress can be assessed, it is difficult to evaluate whether the additional investment is delivering the intended consumer benefit.

Question 2: Do you have any evidence of the impact on diversity? Do you have any comments on the EIA at Annex B?

The Panel considers that a profession that understands and reflects the diverse communities it serves is essential to supporting consumer trust and accessibility. Consumers benefit when practitioners are equipped with the skills to understand and respond appropriately to differing needs and circumstances.

While the Panel welcomes the commitment to an independent EIA in 2027, the current assessment requires more than general statements. IPReg's own data shows significant divergence: Black registrants make up 4% of trademark attorneys but 0% of patent attorneys, and women represent only 37% of patent attorneys against a 47% benchmark set by the Legal Services Board. Given these disparities, we urge IPReg to closely monitor impacts and not just rely on the Education Review to "close the gap" with regard to these specific disparities.

Questions 3 & 4: Practising Fees and the 2027 Budget

The Panel recognises the need for IPReg to be appropriately resourced to carry out its regulatory functions effectively. We note that the proposed 2.97% fee increase is presented as a targeted investment in regulatory capability, raising budgeted income from £1,403,525 in 2026 to £1,481,751 in 2027. While we note this increase is held below CPI and largely funded through reserves, we ask IPReg to clearly articulate how this specific investment will translate into positive consumer outcomes.

We would also welcome an indication of what the proposed fee increase, and the cumulative cost of regulation more broadly, translates to in practice for a typical IP attorney's annual operating cost. Regulatory costs are ultimately a component of the price consumers pay for IP advice. Understanding this translation, and how IPReg satisfies itself that the absolute cost of regulation will not have a material effect on the prices charged to consumers would help the Panel assess the consumer impact.

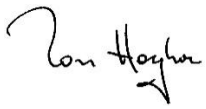
We also request clarification on two financial points:

[2] 24205-LSCP-Legal-Services-Delivery-Research_Final-Report.pdf

- Projected Deficits: Paragraph 6 of the consultation lists projected losses of £61,131 (2026) and £91,209 (2027), but paragraph 38 and Annex C state figures of £80,775 and £125,871. We would welcome clarification on whether these figures are reflecting the same thing, or whether the difference relates to the Education Review separately.
- Legal Choices funding: The narrative text claims funding is held flat at £5,800, yet Annex C shows the 2026 figure was £16,200 – representing a cut of more than 60% for 2027. This is a vital cross-sector resource so we would welcome clarification of these figures.

We appreciate the opportunity to provide input from the consumer perspective. We hope you find these comments helpful. Should you have any questions pertaining to this consultation response, please contact Caroline Clayton, Consumer Panel Associate, at Caroline.Clayton@legalservicesconsumerpanel.org.uk.

Yours sincerely,



Tom Hayhoe
Chair
Legal Services Consumer Panel

IPReg's 2027/28 business plan and 2027 budget: IP Inclusive consultation response

IP INCLUSIVE
Working for diversity and inclusion in IP

1 Introduction

These submissions are made by the IP Inclusive initiative, in response to IPReg's 15 July 2026 consultation on its 2027/28 business plan and 2027 budget and practising fees proposals.

They are made on behalf of the UK-based IP professionals – including many registered patent and trade mark attorneys – who support IP Inclusive in its efforts to improve equality, diversity, inclusion (EDI) and wellbeing across the UK's IP sector.

2 The draft 2027/28 business plan

2.1 Strategic objectives

We would like to see diversity and inclusion given greater prominence in IPReg's proposed new strategic objectives.

Encouraging a diverse profession remains one of the over-arching regulatory objectives under the Legal Services Act 2007. Diversity and inclusion contribute to standards in professional practice, leading to better decision making, reduced risk and higher productivity as well as to improvements in staff retention and wellbeing. They promote consumer access to justice, by enhancing professionals' understanding of a wider range of client needs. Through all these things, they can also be used to help promote the value of a regulated profession.

We appreciate that IPReg's ongoing Education Review is intended to improve access to the patent and trade mark professions, removing unnecessary barriers to entry and enabling a more diverse intake. But this on its own will not create *sustainable* improvements in diversity levels. Those responsible for recruiting future attorneys need to be receptive to the new talent they might acquire through improved access, and moreover willing to recruit it; their businesses must treat new recruits inclusively, value them equally, develop and promote them fairly. These are outcomes that IPReg can, and should, promote in its regulatory capacity, downstream of the point of access to the professions and within the requirements it makes of attorneys once registered.

Accordingly, we believe IPReg's 2027/28 business plan should spell out that encouraging diversity will be part of the "high standards" it pursues as well as key to the public confidence and access to justice it promotes. Diversity is a strand that should be woven into IPReg's wider strategic objectives – as indeed it is woven, and admirably so, into the Education Review – rather than treated as a standalone issue.

We also recommend that the gathering of EDI data within the regulated professions – and its use to inform, evaluate and shape regulatory interventions – should be specifically mentioned in the business plan infographic (page 14 of the consultation document). It is, we believe, just as important to IPReg's work as the gathering of market intelligence from the professions' consumers.

2.2 Education, training and qualification

We are delighted that IPReg's Education Review remains a key part of its 2027 plans. We have been grateful for the opportunity to be involved, and to provide input not only into the review process but also, through the wider IP Inclusive community, into the intelligence it gathers. We applaud the emphasis on diversity, equity, inclusion and belonging within the framework of the review, as well as IPReg's intention to commission an independent equality impact assessment on the draft outputs. It is vital to ensure that both existing and new qualification pathways are as accessible as possible and do not introduce any unnecessary barriers to entry or impediments that could disadvantage particular groups. We are therefore pleased that IPReg intends to use its work on diversity to inform its education workstreams, in order to widen participation and progression in the regulated professions.

We are also pleased that IPReg intends to work with stakeholders on its accreditation requirements for new qualification pathway options. We stand ready to help with EDI-related aspects of this work, in particular regarding the needs of under-represented groups such as disabled and neurodivergent candidates and those who are parents, expectant parents or carers. As ever, we would stress that accessibility should be a key requirement of accredited education and assessment providers, ideally as part of a structured EDI policy and a focus on fair and equitable processes. This is as important for new qualification pathways such as the proposed patent scientist/engineer apprenticeships as it is for the existing routes to qualification.

We agree that IPReg's education-, training- and qualification-related activities have the potential to improve diversity within the regulated professions. However, as above, developments at the point of entry could have limited value unless underpinned by appropriate regulatory measures downstream. Hence our recommendation that diversity be referenced in the wider strategic objectives and not merely in connection with education- and qualification-related projects.

2.3 Diversity data gathering

We were delighted to see IPReg launch another diversity survey this year, as well as its inclusion of questions relating to inclusivity, wellbeing and more general workplace culture. We hope that response levels were good, and look forward to seeing the results.

It is hugely important that this type of data be kept up to date, not only for IPReg's equality impact assessments but more generally to measure its progress on, and shape its influence over, diversity in the regulated professions. Such data provides a valuable benchmark for professionals and their businesses within the sector, as well as for consumers. We remain of the view that for the patent and trade mark professions, it is the regulator that is best placed to gather it.

We therefore urge IPReg to continue to repeat its diversity survey on a regular basis, at least on a two-year cycle and ideally as part of its annual registration process. As discussed at 2.1 above, we believe this important aspect of IPReg's work should be mentioned in its business plan.

2.4 Diversity initiatives

We applaud IPReg's continuing support for diversity initiatives. We believe it is important that the patent and trade mark professions continue to work to improve diversity, inclusivity and accessibility, even in the face of external pressures, to ensure they can attract and retain the best professionals and provide a high quality service to their clients.

We are also pleased that IPReg plans to continue to work with, and contribute to, cross-sector work on EDI. IP Inclusive's success has demonstrated that a collective and collaborative approach to designing, implementing and evaluating EDI-improving measures, in a largely receptive environment such as that of the patent and trade mark professions, can be both impactful and cost-effective. We have much to learn from one another and from the wider legal sector, as well as from experts outside. We stand ready to help in any way we can.

3 The proposed 2027 budget

We are pleased to note that the proposed 2027 budget includes £21,000 for supporting diversity initiatives in the regulated community, and that this is underpinned by the continuing £20,000 diversity initiatives reserve.

For transparency, we recommend that IPReg publicise how the £21,000 it budgeted for diversity initiatives in 2026 was spent. Its 2026 diversity survey was financed separately, as are diversity-related aspects of the Education Review. There are no specific diversity-related projects in the proposed 2027 business plan. It would be appropriate, therefore, for IPReg to clarify what additional projects or causes have received – or might in future receive – funding from its diversity budget and their likely impact on the regulated professions.

We very much appreciate and thank IPReg for the £5,000 donation it provided towards IP Inclusive's operating costs in 2025, and hope that similar contributions will be possible in both 2026 and 2027. This is, however, only a proportion of the sum allocated for supporting diversity initiatives. As in the past, IP Inclusive – in particular through its communities[1] and Careers in Ideas outreach campaign[2] and their respective contacts – would welcome the opportunity to work with IPReg to ensure that the 2027 diversity budget is appropriately spent.

Should there be any remaining funds from those allocated to diversity initiatives in the 2026 budget, IP Inclusive would of course be extremely grateful for an additional donation. Our work is key to the

[1] See https://ipinclusive.org.uk/community/
[2] See https://careersinideas.org.uk/ and https://ipinclusive.org.uk/careers-in-ideas/

sector's approach to EDI and, through collaboration, can greatly assist IPReg in achieving its regulatory objective to encourage an independent, strong and diverse profession.

IP Inclusive relies totally on donations. These typically come from individuals and businesses in the IP sector, from relevant membership bodies such as CIPA, CITMA, FICPI-UK and the IP Federation, and from other key stakeholders such as IPReg. We very much hope that IPReg will continue to help fund IP Inclusive during 2027, and indeed that it will feel able to raise the level of financial support it provides for our valuable cross-sector EDI work.

4 The proposed 2027 practising fees

We have no comments on IPReg's proposed increase to the practising fees in 2027, other than those made at 5.2 and 5.3 below regarding the availability of (a) the discretionary waiver in cases of hardship (the continuance of which we welcome) and (b) the "not in active practice" fee category (the scope of which we would like to see clarified). We believe these two measures help increase inclusivity in the regulated professions, enabling them to embrace and nurture a wider range of people, and in turn contribute to the sector's independence, strength, diversity and effectiveness.

The commencement date at the end of the draft Practice Fee Regulations (Annex F) would appear to need changing.

5 The equality impact assessment (EIA)

5.1 The evidence base

We note that this year's EIA is based on relatively old data from IPReg's 2024 diversity survey. We are glad that the survey has been repeated this year and look forward to seeing the promised updated EIA once the new survey results are available.

We are aware that IPReg gathers a significant amount of data, from its diversity surveys, on the socioeconomic backgrounds of its registrants. Whilst social mobility-related factors are not "protected characteristics" within the meaning of the Equality Act 2010, they can nevertheless be relevant to diversity within the patent and trade mark professions. We recommend, therefore, that IPReg also consider the potential impact of its practising fee changes on groups from lower socio-economic backgrounds. We especially recommend that this be considered as part of the equality impact assessment carried out on the Education Review proposals.

5.2 The discretionary fee waiver

We are pleased that the discretionary fee waiver is to remain in place. Its scope appears to be sufficiently broad to encompass professionals who – for example because of a disability or caring (including parenting) responsibility – are still able to work to at least some extent but are nevertheless suffering financial hardship and finding practising fee levels problematic. Subject to the

comments below, we see this as a sensible and proportionate way for a regulator of IPReg's size to guard against detrimental effects on specific groups, in particular those for which it has relatively little statistically significant data.

5.3 Availability of the "not in active practice" fee category

As in our 2025 consultation response[3], we would like IPReg's confirmation that this fee category is also available to attorneys whose capacity to practise is affected by a temporary disability, illness or caring responsibility. A clear public statement about its scope – including for registrants on parental or adoption leave – would provide further evidence of IPReg's commitment to a diverse, inclusive and supportive regulatory regime and would help reduce negative impacts in the context of two of the protected characteristics: disability and gender.

With regard to the impact on gender, people who identify as women are still proportionately more likely to be carers and more likely to reduce their working hours to provide unpaid care[4]. Women may also experience menopause-related conditions that temporarily affect their working arrangements. Both of these often happen at times of their lives when they occupy more senior roles, which is where the gender imbalance seems to be at its greatest in the patent and trade mark professions.

The draft EIA in Annex B to the consultation paper states that "Prior to consultation, we have not identified any evidence that the level of the fee or the proposal to increase it could discriminate against or unfairly disadvantage attorneys with protected characteristics." The "protected characteristics" do not include caring responsibilities, but as described above they can be closely linked. Such issues can therefore be highly relevant to the accessibility of, and equality of opportunity within, the regulated professions.

An obvious, and proportionate, way to address any unfair disadvantage to members of the regulated community who are temporarily disabled, or who are carers, would be to ensure the scope of the "not in active practice" category accommodates those registrants. This could significantly increase diversity within the sector and also help the professions to retain experienced and valuable practitioners who might otherwise be inclined to leave the register.

As a longer-term measure, we urge IPReg to consider setting a lower level of practising fee for attorneys who work part-time. This too would reduce the risk of disadvantage to disabled people, carers, parents and – at least in the present cultural climate – those who identify as women.

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[3] See https://ipinclusive.org.uk/wp-content/uploads/2026/02/250827-ipreg-2026-budget-consultation-ip-inclusive-response.pdf

[4] See, for example, https://www.carersuk.org/press-releases/international-women-s-day-2024-10-facts-about-women-who-are-unpaid-carers/, the 2021 ONS census data at https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/socialcare/articles/unpaidcarebyagesexanddeprivationenglandandwales/census2021 and a 2025 House of Commons research briefing (https://commonslibrary.parliament.uk/research-briefings/cdp-2025-0213/) regarding the issues and inequalities faced by unpaid carers

There is one further point that we urge IPReg to address in order to reduce negative impacts in the "pregnancy and maternity" category. At present, according to the EIA, "Anyone on maternity leave can apply to IPReg to be put in the 'not in active practice' category with an associated reduction on practising fees", but "*the fees are not reimbursed if the change occurs mid-year*" (emphasis added). This strange system is, we submit, incompatible with IPReg's assertion that there is "no" potential for negative impact on this group. Pretty much every such change will occur "mid-year"; there will be very few registrants for whom a period of maternity leave begins on exactly the same date that they pay their practising fee. The lack of access to reduced fees for a potentially large part of a year could significantly disadvantage people who are on maternity leave and unable to practise during that period.

In the interests of equity and equality, we strongly recommend that IPReg make this particular provision more equitable by reimbursing fees pro rata where a move to a non-practising situation – for any reason – occurs mid-year.

6 About IP Inclusive

IP Inclusive is an association of individuals and organisations who share a commitment to improving equality, diversity, inclusion and wellbeing throughout the UK's IP professions. Its founding organisations were the Chartered Institute of Patent Attorneys (CIPA), the Chartered Institute of Trade Mark Attorneys (CITMA), the IP Federation and The UK Association of the International Federation of Intellectual Property Attorneys (FICPI-UK), with active support and involvement from the UK Intellectual Property Office. The founding organisations do not have any ownership or control of IP Inclusive.

Our supporters span the IP-related professions and include patent and trade mark attorneys and paralegals, their business support colleagues, IP solicitors and barristers, and other professionals who work in or with intellectual property. Many CIPA and CITMA members are actively involved in the initiative, as are their organisations, which support us as Charter signatories and/or donors.

Our work, which is overseen by the governing body IP Inclusive Management[5], includes:

- A voluntary best practice Equality, Diversity and Inclusion Charter[6], which currently has 157 signatories from across the IP professions, and an associated "Senior Leaders' Pledge"[7].
- The "Careers in Ideas"[2] campaign, which works to raise awareness of, and improve access to, IP-related careers in order to diversify the pool from which the professions recruit.
- Networking and support "communities"[1] for under-represented groups and their allies, which currently include our Women in IP community; IP & ME for professionals from

[5] See https://ipinclusive.org.uk/ip-inclusive-management/
[6] See https://ipinclusive.org.uk/about/our-charter/
[7] See https://ipinclusive.org.uk/the-ip-inclusive-senior-leaders-pledge/

minority ethnic backgrounds; IP Ability for disabled and neurodivergent professionals and for carers; IPause for professionals affected by the (peri)menopause; IP Futures for early- to mid-career professionals; and IP Out for LGBTQ+ professionals. Similar networks for business support professionals and for men in IP are also now in gestation.

- EDI- and wellbeing-related resources, training, news and information, which we disseminate through our website, events and regular updates to our supporters[8].

Our Lead Executive Officer Andrea Brewster is a Chartered Patent Attorney, a former CIPA Council member and President, and now an honorary member of CIPA. In the past she has served on the Institute's Education and Business Practice Committees. She is regulated by IPReg but not currently in active practice.

For more information about IP Inclusive, please visit our website at https://ipinclusive.org.uk/, or email contact@ipinclusive.org.uk.

24 August 2026

[8] See https://ipinclusive.org.uk/resources/, https://ipinclusive.org.uk/newsandfeatures/, https://ipinclusive.org.uk/events/ and https://ipinclusive.org.uk/stay-in-touch/

IP Federation's Response to the IPReg Consultation on the 2027/28 Business Plan and 2027 Budget and Practising Fees (the "**Consultation**")

Introduction

The IP Federation[1] welcomes the opportunity to respond to the Consultation. It limits its comments to consultation questions 1 and 2 and this response primarily concerns the diversity initiatives raised in (or arising out of) the Consultation.

In response to Question 1, the IP Federation considers that the proposed 2027/28 Business Plan (contained within the Consultation) fails to include proper recognition of the importance of diversity, equality and inclusion in the profession. We consider that these are fundamental aspects of ensuring the profession continues to be credible and to grow successfully. Other comments are addressed below.

In response to Question 2, the IP Federation repeats its comments made in response to the IPReg Consultation on the 2026 Business Plan. The IP Federation considers that these comments should be kept in mind when releasing the results of the planned 2026 survey results. The IP Federation appreciates that the results of the 2024 survey have been updated to address the IP Federation's previous comments.

Question 1

The IP Federation considers that the need to encourage diversity, equity and inclusion in the profession is of fundamental importance to the credibility and growth of the profession, and believes that this should underpin a large proportion of the work of IPReg. The IP Federation considers that this should be made **explicit** in the 2027/28 Business Plan. Whilst IPReg's diversity initiatives are addressed in the Consultation, currently the Business Plan only alludes to "*supporting diverse and inclusive professions*" within the context of the Education Review. Diversity, equity and inclusion should not be considered solely in that context.

Ultimately, the IP Federation considers that the goal of improving diversity, equity and inclusion will be achieved by attracting diverse candidates from education. The IP Federation therefore considers that coordination with organisations which are promoting diversity (including social mobility) in STEM education is vitally important to this work. Reaching out to students from different backgrounds at school and in further education on the value/importance of IP is required. Co-ordinated engagement with the IP profession to help with such activity is necessary.

The IP Federation considers that to improve diversity, equity and inclusion efforts must be targeted – for example, the same solutions and support will likely not be

[1] The IP Federation aims to improve the IP framework to meet the needs of innovative industry by representing, nationally and internationally, the views of UK-based businesses. Its membership of influential IP-intensive companies has wide experience of how IP works in practice to support the growth of technology-driven industry and generate economic benefit. As a cross-sectoral industry organisation covering all technologies, the IP Federation is able to offer a viewpoint which is authoritative and balanced. Details of the IP Federation membership are given at the end of this paper.

applicable to improving issues concerning race and sexual orientation. Efforts should also be led by the data. To take just one example, according to the 2024 IPReg diversity survey results 0% of patent attorneys identified as black. Specific efforts need to be made to address this underrepresentation. It should be borne in mind that individuals may not always feel comfortable in providing personal data in response to such surveys.

The IP Federation supports the proposed continued analysis of the appropriate academic level of qualification for entrants into the patent attorney profession and its associated impact on diversity, equity and inclusion (paragraphs 13b and 14 of the Consultation). The IP Federation welcomes IPReg's commitment to advise on accreditation requirements for new qualification pathway options. We note however that reference is made to "the prospective patent scientist/engineer apprenticeship as a part-qualification route". For clarity the apprenticeship being proposed is not a part-qualification route, because not all apprentices undertaking this qualification are expected to become a UK and/or European patent attorney; some may do so, and others may choose to continue in their patent scientist/engineer role or may choose to springboard into a different role.

The IP Federation notes that IPReg has committed £20,000 to suitable diversity initiatives.[2] (see paragraph 24 of the Consultation). Annex C lists these as "Donations". The IP Federation would appreciate any greater granularity that can be provided on the allocation of the funds to allow an opportunity for the IP Federation and other interested parties to consider whether working together will provide tangible benefit for improving diversity, equity and inclusion within the profession. The IP Federation understands that IPReg is amenable to such collaborative efforts.

Further, the 2027/28 Business Plan references a number of Strategic Objectives and Strategic Outcomes. The IP Federation would welcome clarification on how achievement of the Strategic Outcomes will be measured in practice and when the Strategic Outcomes are expected to be achieved.

The IP Federation welcomes:

- the PII Sandbox mechanism (see paragraphs 19 and 20 of the Consultation) to encourage alternative insurer participation in the market.

- IPReg's willingness to work together with practitioners on the use of technology (including generative AI) and understanding its impact on legal IP services (see paragraph 31 of the Consultation).

The IP Federation considers it unreasonable that the Legal Services Board has not confirmed the finalised levy on legal regulators (see page 17 of the Consultation). The IP Federation considers that efforts should be made to ensure that the levy figure is confirmed and IPReg should consider whether a downwards re-adjustment of its practising fee would be appropriate if the final levy figure is less than the 9.24% increase budgeted for.

Question 2

[2] Annex C appears to reflect this amount as £21,000

The IP Federation repeats its comments made in response to the 2026 Business Plan, as follows:

> "In respect to the 2024 diversity data, the IP Federation notes that certain characteristics are recorded as follows in the draft equality impact assessment: "*Data for this characteristic is very limited and so we are unable to draw any conclusions from it*." The IP Federation considers that, in the interests of transparency, even limited data sets should be included, where available (even if it is considered that conclusions cannot be drawn). It may be for example that respondents are unprepared to provide this data due to stigmas in the profession which need to be addressed."

As noted above, the IP Federation is grateful that this comment has now been addressed in the data from the 2024 diversity survey. The IP Federation would appreciate similar data being made available in the next set of diversity data.

Concluding remark

The IP Federation is grateful for IPReg considering the comments in this Response and is available to discuss.

If you wish to do so please contact Alex Driver at alex.driver@gowlingwlg.com and Bobby Mukherjee at bobby.mukherjee@baesystems.com.

IP Federation

25 August 2026

IP Federation members 2026

The IP Federation represents the views of UK industry in both IPR policy and practice matters within the UK, Europe and internationally. Its membership comprises the innovative and influential companies listed below. The CBI, although not a member, is represented on the Federation Council, and the Council is supported by a number of leading law firms which attend its meetings as observers. It is listed on the joint Transparency Register of the European Parliament and the Commission with identity No. 83549331760-12.

AGCO Ltd
Airbus
Arm Ltd
AstraZeneca plc
BAE Systems plc
BP p.l.c.
British Telecommunications Limited
British-American Tobacco Co Ltd
Canon Europe Ltd.
Caterpillar U.K. Ltd
Ceres Intellectual Property Company Limited
Cummins Ltd.
Cytiva
Dyson Technology Ltd
Eisai Europe Limited
Eli Lilly & Co Ltd
Ericsson Limited
HP Inc UK Limited
IBM UK Ltd
Johnson Matthey PLC
Merck Sharp & Dohme (UK) Ltd
Microsoft Limited
Mitsubishi Heavy Industries, Ltd.
NEC Laboratories Europe GmbH
Nokia UK Limited
Nu Quantum Ltd
Oxford Nanopore Technologies plc
Philips Electronics UK Ltd
Phillips Medisize
Pilkington Group Ltd
Procter & Gamble Ltd
Reckitt
Regeneron UK Ltd
Renishaw plc
Rolls-Royce plc
Shell International Petroleum Company Limited
Siemens plc
Smith & Nephew
Syngenta Ltd
UCB Pharma plc
Unilever plc
Vodafone Group

Annex 12: Business Plan 2027

CEO Foreword

1. IPReg is starting this planning period from a position of credibility, but not complacency. The organisation has a sound statutory footing, a proportionate regulatory philosophy and a set of important programmes already in train. However, the external environment is changing faster than our current operating model was designed to accommodate.

2. Professional practice is evolving rapidly. Technology is reshaping risk, expectations of transparency and assurance are rising, and stakeholders are increasingly entitled to ask not only whether regulation is principled, but whether it is demonstrably effective. In that context, the central task for the next three years is to strengthen IPReg's ability to identify risk earlier, respond with greater precision, communicate its value more clearly and sustain delivery with the right capability behind it

3. This Business Plan sets out how IPReg will regulate and demonstrate value over the period 2027–2029. It moves IPReg from a regulator that is credible in principle to one that is consistently demonstrable in impact and value.

4. At its core is a shift to making right-touch regulation fully operational: evidence-led, proportionate, targeted, transparent and outcome-focused. The Board's strategic objectives provide the focus. This Plan explains how we will use evidence and intelligence to identify regulatory risks, how those risks will shape our priorities, how expenditure will support delivery, and how we will assess whether the work has delivered public and consumer benefit.

5. This Plan therefore provides the delivery and assurance framework through which the Board's strategic objectives will be implemented over 2027–2029.

Strategic Objective	→	Strategic Outcome
Understanding consumer risks and harms	→	**Public Protection**
Promoting and maintaining high standards among regulated IP practitioners	→	**Promote High Standards**
Optimising regulatory efficiency and effectiveness	→	**Regulatory Excellence**

6. This Business Plan translates those objectives into a focused operating and delivery model. For clarity, the Plan is structured around a consistent delivery logic: evidence and intelligence identify the regulatory risks IPReg needs to address; those risks determine the activities we prioritise; expenditure is directed to the capability, resource and infrastructure needed to deliver those activities; and success is assessed through measurable outcomes linked to public protection, high standards and regulatory excellence.

How this Plan links evidence, risk, expenditure and benefit

7. The organising principle for this Plan is a clear line of sight between evidence, regulatory risk, planned activity, expenditure and public or consumer benefit. This is important because practising fee income should not be presented only as funding for activity. It should be linked to the outcomes and assurance that regulation is intended to deliver.

Delivery element	What it means for this Plan
Evidence and intelligence	What we know from data, consultation, complaints, registration, stakeholder engagement, market intelligence, research and horizon scanning.
Regulatory risk or need	The risk to consumers, the public interest, professional standards, competition, access to justice, regulatory confidence or organisational resilience if IPReg does not act.
Planned activity	The regulatory, policy, engagement, operational or assurance work that IPReg will undertake in response.
Expenditure or	The people, systems, expertise, communications, data, governance or operational

resource implication	capacity needed to deliver the work effectively.
Measurable outcome	The practical change we expect to see, or the delivery milestone by which progress can be assessed.
Public or consumer benefit	How the work protects consumers, supports informed choice, promotes high standards, improves access to justice, strengthens confidence or improves regulatory accountability.

8. This approach is intended to make the Plan more testable. It should enable the Board, the LSB, the regulated community and other stakeholders to assess whether IPReg's priorities and expenditure are proportionate, evidence-based and directed towards the greatest regulatory value.

Summary of investment, regulatory risk and public benefit

9. The table below summarises the main areas of planned activity, linking expenditure or resource to evidence, risk, measurable outcomes and public or consumer benefit.

Planned activity or investment	Evidence or need	Regulatory risk addressed	Expenditure or resource implication	Intended measurable outcome	Public or consumer benefit
Data, evidence and analyst capability	Current data sources are developing but not yet sufficiently integrated or mature to support consistent risk-based prioritisation.	IPReg may identify emerging consumer, market or professional risks later than intended, or may be less able to evidence why intervention is needed.	Specialist analytical capacity and supporting improvements to data quality, reporting and insight processes.	Core risk indicators defined; improved Board assurance; clearer use of intelligence in prioritisation and regulatory decisions.	Earlier identification of risks and better targeted interventions that protect consumers and support confidence in regulation.
Education Review	Evidence from the Call for Evidence, stakeholder feedback, equality analysis and consultation indicates a need to ensure qualification routes are fit for purpose in a changing environment.	Qualification and competence arrangements may not remain relevant, inclusive or sufficiently responsive to future professional and consumer needs.	Policy, engagement, equality assessment, legal and implementation planning resource.	Consultation completed; final outputs agreed; rule-change pathway prepared; transition plan in place.	Competence standards are maintained, routes to qualification are clearer and more inclusive, and public confidence in the profession is strengthened.
Economic crime thematic review	New regulatory objective and evidence about the extent to which client money is held and managed by regulated firms and sole	Economic crime risks may not be sufficiently understood in the IPReg-regulated sector, particularly where client	Policy, supervision, data-gathering and analysis resource.	Initial findings published in Q2 2027; evidence used to determine whether further guidance, supervision or	Better protection where client money or financial crime risk is present, and stronger assurance that IPReg is meeting the

	traders.	money is held.		rule changes are required.	economic crime objective.
PII Sandbox monitoring	Current participation is limited, so the evidence base is not yet sufficient to determine whether permanent changes should be made.	Premature policy change could weaken client protection; indefinite continuation could reduce regulatory clarity.	Ongoing monitoring, assessment and policy analysis.	Evidence gathered during 2027 to support a decision on whether to consult in 2028/29.	PII policy develops on the basis of evidence, protecting clients while allowing proportionate innovation.
Communications and visible regulator work	Stakeholders need clearer information about the protections, assurance and public value provided by regulation.	Consumers and stakeholders may not understand IPReg's role or the value of using regulated professionals.	Specialist communications resource and improved stakeholder engagement activity.	Clearer messages, improved reach, stronger evidence of engagement and better public explanation of regulatory outcomes.	Consumers are better informed, confidence is strengthened and the value of regulation is more visible.

IPReg's strategic objectives and Priority workstreams

10. The following sections set out the strategic objectives and principal workstreams for 2027. Each section seeks to explain the evidence or need, the regulatory risk being addressed, the planned activity, the resource implication, the intended measurable outcome, and the public or consumer benefit. At the end of this section we have summarised our business plan into a plan-on-a page for reference.

Strategic objective: Improve our understanding of the risks faced by individual consumers and small businesses who need IP legal services
Outcome: Public protection

11. IPReg will enhance its understanding of the needs of individual consumers and small businesses and the risks they may encounter when accessing IP legal services. The key regulatory risk is that consumers and small businesses may not understand the protections that come with using a regulated attorney, may not know where to raise concerns, or may experience harm that is not visible quickly enough through IPReg's existing data and intelligence sources.

12. During 2027, IPReg will improve public confidence and trust by explaining more clearly the protections, assurance and standards provided by regulated professionals; gain better consumer insight by working with consumer bodies, the LSB, UK IPO, CIPA, CITMA and other stakeholders; make better use of market intelligence and regulatory data to identify emerging risks and harms earlier; and strengthen right-touch regulatory capability by improving analytical and insight capacity.

13. The intended measurable outcomes are clearer consumer and market insight sources used in Board and executive reporting; evidence from consumer or perception research used to inform communications, guidance or regulatory policy; improved visibility of consumer risks and themes; and clearer reporting to the Board on how evidence has influenced regulatory priorities. The public and

consumer benefit will be earlier identification of risk, better targeted responses, clearer consumer information and stronger public understanding of the protections associated with using a regulated attorney.

Strategic objective: Promote and Maintain High Standards Among Regulated IP Practitioners
Outcome: Promote High Standard

14. Education, qualification, conduct, competence and continuing professional standards are central to public confidence in the regulated IP professions. The regulatory risk is that professional standards may not keep pace with changes in practice, technology, consumer expectations or routes into the profession. During 2027, IPReg will progress the Education Review, promote the value of the regulated profession, strengthen transparency and accountability, and use intelligence to target compliance and proportionate supervision.

15. The intended measurable outcomes are public consultation on Education Review proposals in the first quarter of 2027; final outputs informed by consultation by the fourth quarter of 2027; preparation of any required rule-change application to the LSB; a managed transition plan; clearer Board assurance on education, competence and supervision risks; and improved use of case studies, insight material or regulatory outcomes to support understanding of standards.

Strategic objective: Optimise IPReg's Regulatory Efficiency and Effectiveness
Outcome: Regulatory excellence

16. IPReg will streamline and strengthen its regulatory operations so that it remains responsive, proportionate and capable of delivering its statutory functions effectively. The regulatory risk is that IPReg's capacity, systems, data and communications may not be sufficient to meet rising expectations of assurance, transparency, responsiveness and evidence-led regulation. During 2027, IPReg will strengthen organisational resilience, improve data and analytical capability, develop more strategic communications and engagement, maintain constructive engagement with the LSB and Government, and invest in people, technology, data and delivery capability where this is needed to support right-touch regulation.

17. The intended measurable outcomes are clearer risk and performance reporting to the Board; improved evidence for prioritisation and intervention; more consistent use of data and intelligence in decision-making; clearer public and stakeholder communications; resource and expenditure decisions linked explicitly to regulatory risk and public benefit; and progress against an internal scorecard or KPI framework that supports Board assurance.

Driving forward our work on education

18. The Education Review is one of IPReg's most significant regulatory programmes. Its evidence base includes the Call for Evidence and Feedback, stakeholder engagement, analysis of responses during 2026, the input of the Expert Advisory Group, equality analysis and consultation responses. The regulatory risk is that education and qualification arrangements may not remain sufficiently aligned with future professional practice, technology, consumer need, diversity, inclusion and public confidence.

19. During 2027, IPReg will continue stakeholder engagement, maintain the input of the Expert Advisory Group, consult publicly on Education Review proposals and draft outputs in Q1 2027, finalise outputs by Q4 2027, prepare any required LSB rule-change application, define the point from which outputs will be implemented, and develop a structured transition plan for candidates, providers, employers and the profession.

20. The expenditure and resource required for this work is justified by the scale and importance of the regulatory risk. Education reform affects the future competence of patent and trade mark attorneys, the confidence of consumers and employers, and the sustainability and inclusiveness of routes into the profession. The measurable outcome for 2027 is that IPReg will have consulted on, finalised and

prepared implementation arrangements for revised education outputs, with a clear transition plan, equality impact assessment and rule-change pathway.

Thematic reviews

Economic crime

21. A ninth regulatory objective came into force in January 2024. This objective requires regulators, when discharging their regulatory functions, to act in a way that is compatible with the prevention and detection of economic crime. The evidence base for IPReg's work includes data and intelligence about the extent to which client money is held and managed by firms and sole traders regulated by IPReg.

22. During 2027, IPReg will continue its thematic review of how economic crime might manifest in IPReg-regulated practices; the features of practices that hold client money; the length of time for which client money is held; safeguards firms have in place; and firms' procedures and processes in relation to anti-money laundering and other economic criminal activity. The measurable outcome is publication of initial findings in Q2 2027 and a clear decision about whether further guidance, supervision, monitoring, policy development or rule changes are required.

Triennial review of the compensation fund

23. IPReg's compensation arrangements are the arrangements under which grants may be made to consumers and businesses to compensate for loss causing hardship as a result of dishonesty or failure to account by an IPReg-regulated firm or sole practitioner. The actuarial review was undertaken in Q2 2026 and has resulted in additional evidence-gathering planned as part of the Economic Crime thematic review.

24. The regulatory risk is that compensation arrangements must remain viable, proportionate and targeted to the risk of consumer hardship. The measurable outcome is that evidence from the actuarial review and economic crime work will inform future Board decisions on the compensation arrangements. The public and consumer benefit is that compensation arrangements remain evidence-based and capable of supporting consumers where relevant loss and hardship arise.

Assessing the impact of the PII Sandbox

25. During 2027, IPReg will continue to assess applications for admission to the professional indemnity insurance Sandbox. There are currently two firms and two sole traders in the Sandbox. IPReg does not consider that this is a large enough sample to provide sufficient evidence about how the Sandbox is working in practice, although there have been no complaints to IPReg about any of the firms or sole traders in the Sandbox.

26. The regulatory risk is twofold: moving too quickly to permanent change without sufficient evidence could weaken client protection, while allowing the Sandbox to continue indefinitely could create uncertainty about the future regulatory framework. The measurable outcome for 2027 is a stronger evidence base on whether the Sandbox provides sufficient information to inform consultation in 2028/29 on possible changes to IPReg's approach to PII.

Building our evidence base

27. IPReg will continue to build its evidence base and data capability. In 2027, IPReg will implement its data strategy and design work to strengthen data sources and quality, improve the use of data and support more targeted regulatory activity. Specialist analyst resource will help implement and embed this evidence base effectively.

28. This investment is not simply an operational improvement. It is intended to strengthen IPReg's ability to identify emerging consumer, market and professional risks earlier; target regulatory activity more

proportionately; and demonstrate more clearly why particular interventions or priorities are justified. The measurable outcomes are a clearer set of regulatory risk indicators, improved data used in Board reporting, stronger links between operational intelligence and policy development, and a more structured basis for future public reporting on impact.

Diversity

29. IPReg remains committed to keeping a ring-fenced reserve to fund suitable diversity initiatives. IPReg has recently undertaken a diversity survey as a follow up to its survey in 2024. IPReg will work with its external EDI consultant to interpret the outputs of the survey and work with other stakeholders to establish how regulatory levers can be used to improve diversity in areas highlighted by the evidence.

30. The regulatory risk is that barriers to entry, progression or participation may weaken the diversity, strength and effectiveness of the IP professions and reduce confidence that routes into the profession are fair and accessible. The measurable outcome for 2027 is that survey findings are analysed and used to inform education, qualification and wider regulatory work. The public and consumer benefit is a stronger, more diverse and effective profession and better-informed action on barriers to qualification and progression.

Responding to LSB consultations and related work

31. The Legal Services Board is IPReg's oversight regulator. The volume and significance of work generated by the LSB has increased over time, including policy development, monitoring, performance assessment, thematic work and information requests. The regulatory risk is that, without sufficient policy, evidence, data and executive capacity, IPReg may be less able to demonstrate compliance, influence policy development, respond to oversight requirements or provide the assurance expected of a modern regulator.

32. During 2027, IPReg will respond to LSB consultations, monitoring requests and performance requirements in a timely, evidence-based and sector-specific way. The public and consumer benefit is stronger accountability, clearer assurance, better alignment with best regulatory practice and more proportionate oversight of the IP legal services sector.

Encouraging innovation in the provision of IP legal services

33. IPReg will continue to work collaboratively with CIPA, CITMA and the other legal regulators to understand the use of technology in the way IP legal services are provided. This will include the extent to which AI is being used, how firms have risk-assessed its use, and how the safe adoption of technology and innovation can be promoted.

34. The regulatory risk is that technology and innovation may develop faster than regulatory understanding, creating potential risks to competence, confidentiality, accountability, transparency, consumer understanding and professional standards. The measurable outcome for 2027 is improved Board and executive understanding of technology-related risks and opportunities, with findings used to inform guidance, communications, supervision or future policy where appropriate.

Visible regulator

35. IPReg will develop a more strategic and assurance-led communications approach so that it is more visible, better understood and recognised for the regulatory value it provides. The regulatory risk is that consumers, the profession and wider stakeholders may not understand IPReg's role, the protections associated with using a regulated attorney, or the public value delivered through regulation.

36. Specialist communications resource will improve the quality, reach and consistency of engagement. This expenditure is justified because communications are part of IPReg's regulatory toolkit: they help

consumers understand protections, help the profession understand expectations, improve transparency, support early compliance and strengthen accountability. The measurable outcomes are clearer communications about IPReg's role and protections, more targeted engagement, improved evidence of reach and stronger links between communications, guidance, supervision and public value.

Our day-to-day activities

37. In addition to the specific programmes set out above, IPReg's day-to-day regulatory activity is central to how it protects clients, maintains public confidence in the regulated IP professions and delivers visible regulatory value. These activities include registration and authorisation decisions, guidance and advice, acting on complaints and concerns, assessing applications for waivers, stakeholder engagement, policy development, data and records management, financial management, governance, Board assurance, risk management, resilience planning and accountability for the use of practising fee income.

38. The measurable outcomes for this work include timely and fair decision-making, accurate registers, proportionate handling of complaints and concerns, clearer guidance, improved use of intelligence and effective Board assurance. The public and consumer benefit is the continued operation of a credible, accountable and proportionate regulatory system.

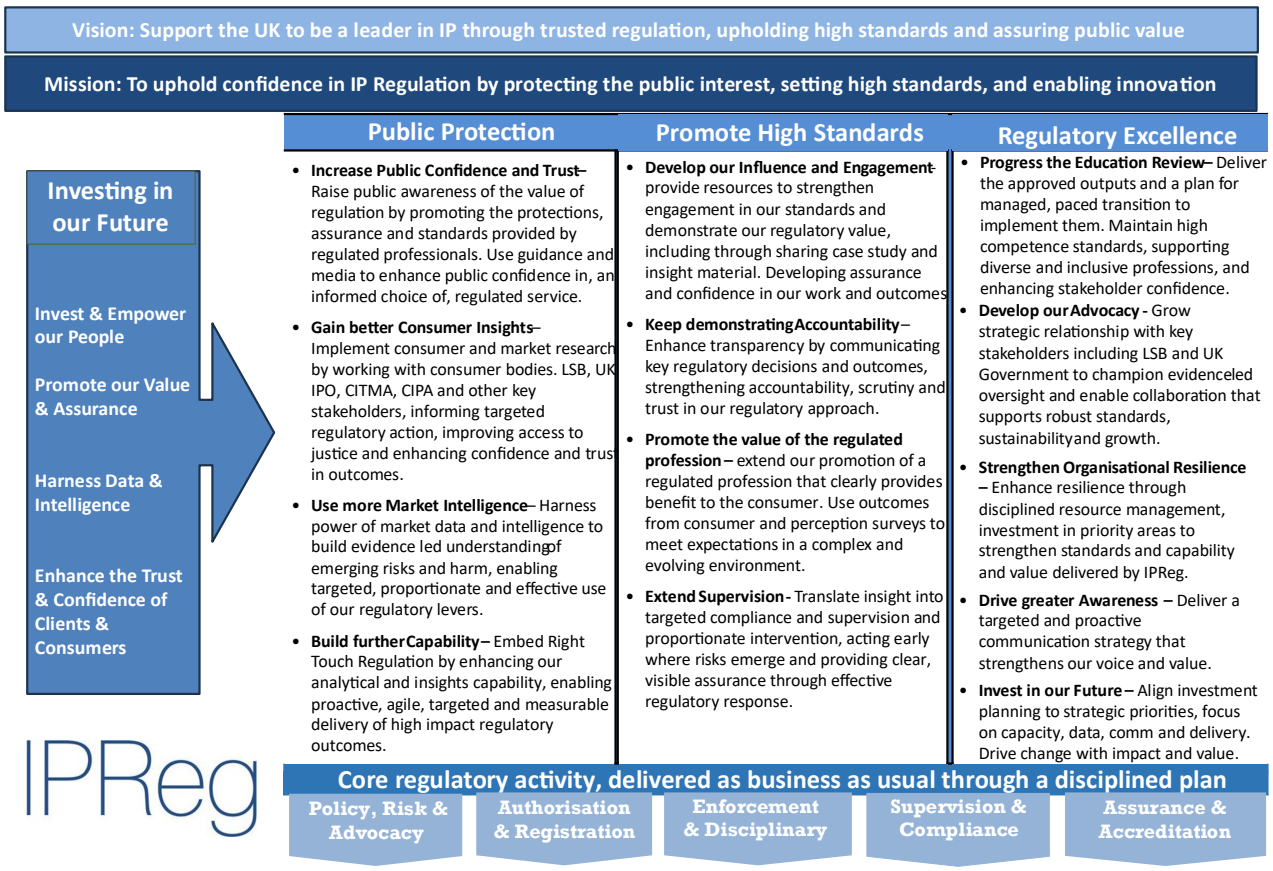
IPReg's team, office and Board meetings

39. IPReg is working on a hybrid basis with a London office for staff and Board meetings. The lease will be renewed in 2027 and IPReg will review its requirements and what provides the best value for its needs as part of that process. This expenditure supports operational resilience, staff effectiveness, hybrid working, Board governance and the practical infrastructure needed to deliver statutory regulatory functions.

Monitoring, evaluation and assurance

40. IPReg will monitor delivery of this Plan through Board reporting, operational planning, risk reporting, management accounts and developing performance measures. This monitoring will focus not only on whether activities have been completed, but whether they are delivering the intended outcomes and public or consumer benefit.

41. The Board will receive clearer assurance on delivery against strategic priorities; whether expenditure remains aligned to regulatory risk and public benefit; whether evidence and intelligence are being used to inform prioritisation; whether interventions are proportionate and outcome-focused; whether communications and engagement are improving understanding and confidence; and whether IPReg's operating model remains resilient and affordable.



Conclusion

42. This Business Plan sets out a proportionate, evidence-led and outcome-focused programme for 2027. It strengthens the line of sight between IPReg's statutory objectives, the evidence it uses, the regulatory risks it needs to address, the resources required, and the public or consumer benefit it intends to secure.

43. The Plan does not present investment as an end in itself. It explains how targeted investment in people, data, communications, policy, governance and delivery capability will support better regulation: earlier identification of risk, clearer professional standards, stronger public and consumer understanding, more effective assurance and more transparent use of practising fee income.

Annex 13: Equality Impact Assessment

Results from the IPReg 2024 diversity survey are on our website here. This includes additional information about response rates and the margin of error in the survey. The LSB's diversity dashboard which compares data from all the regulators is on its website here.

Protected Characteristic Group	Is there a potential for positive or negative impact	Please explain and give examples of any evidence/consultation/data used	Action to address negative impact (e.g. adjustment to the policy)
Disability	Yes	Our diversity survey indicates That 9% of attorneys who responded considered that they had a disability as defined in the Equality Act 2010 and 5% were not sure or preferred not to say. Our latest survey identified that feeling at risk of financial hardship due to work was higher among disabled respondents (29% compared with 17% of others). Our current data shows that around 90% of attorneys have their fees paid for by their employer.	The level of reporting of disability was below the benchmark that the LSB has identified (18% at the time of drafting) so there may be under-reporting (in common with other sectors of the legal services market). However, it has historically been higher than most other legal regulators except the Costs Lawyers Standards Board.[1] The fee waiver provisions may help to alleviate hardship.
Gender reassignment	Unknown	Data for this characteristic is very limited and so we are	N/A

[1] As at 29 May 2025

Protected Characteristic Group	Is there a potential for positive or negative impact	Please explain and give examples of any evidence/consultation/data used	Action to address negative impact (e.g. adjustment to the policy)
		unable to draw any conclusions from it. Our last three diversity surveys have consistently indicated that 1% of respondents indicated that their gender was different to the sex they were registered at birth. The result is in line with the LSB benchmark of 1%.	
Marriage or civil partnership	Unknown	IPReg has taken a targeted and proportionate approach to its diversity data gathering and does not collect data on this characteristic.	N/A
Pregnancy and maternity	No	Anyone on maternity leave can apply to IPReg to be put in the "not in active practice" category with an associated reduction on practising fees (although the fees are not reimbursed if the change occurs mid-year)	This policy will remain in place. We also accept applications for moving to the "not in active practice" category from attorneys who are on adoption or parental leave. We have considered suggestions that IPReg should move to a system of pro-rating fees or reimbursing fees where fee category changes occur mid-year. We have concluded that the internal resource required for this would be disproportionate to the savings that might be made to the attorney. For example, the reimbursement to an attorney working in a corporate setting would be £4.25 for each non-practising month but the administration involved in liaising with the attorney to arrange the refund, verifying bank details, making adjustments to the accounting system, issuing a credit note and processing the

Protected Characteristic Group	Is there a potential for positive or negative impact	Please explain and give examples of any evidence/consultation/data used	Action to address negative impact (e.g. adjustment to the policy)
			refund would require significant internal capacity. Any saving would also be cancelled out by charging an uplift in fees following the attorney's return to work to move them back into the active practice category. This would also impact on our financial planning as it would be difficult to accurately forecast.
Race	Yes	Our latest diversity survey shows, of those who responded to the survey, a similar proportion of Asian/Asian British attorneys (5%) as the LSB benchmark (6%). Black attorneys appear to be under-represented (1%) compared to the LSB benchmark (3%). However, for Black registrants, there is significant divergence between the patent (0%) and trade mark (3%) professions. There is also a significant divergence for Asian/Asian British registrants between	Based on the latest survey responses which for the first time, asked about workplace challenges, we can see that the proposed practising fee increase may have an impact on ethnic minority groups, though this must be balanced against the fact that 90% of attorneys do not pay their own fees. We consider that the fee waiver provisions may help to alleviate hardship.

Protected Characteristic Group	Is there a potential for positive or negative impact	Please explain and give examples of any evidence/consultation/data used	Action to address negative impact (e.g. adjustment to the policy)
		the patent (5%) and trade mark (9%) professions. A higher percentage of patent attorneys (87%) are white compared to trade mark attorneys (75%). Our latest survey showed that those in ethnic minority groups reported higher instances of feeling at risk of financial hardship because of work/income 25% than White/British Irish respondents (14%)	
Religion or belief	No	Our diversity survey showed that 47% of attorneys said that they did not have a religion; this is higher than the LSB benchmark (36%). In addition, 13% said that they are an atheist (no LSB benchmark data available). Attorneys who are Christians make up a smaller	N/A

Protected Characteristic Group	Is there a potential for positive or negative impact	Please explain and give examples of any evidence/consultation/data used	Action to address negative impact (e.g. adjustment to the policy)
		percentage (27%) than the benchmark (41%). Other religions (except Buddhism) are under-represented compared to the LSB benchmarks.[2]	
Sexual orientation	Unknown	Data for this characteristic is very limited and so we are unable to draw any conclusions from it. The 2026 diversity survey results showed: Asexual = 5 (1%) Bisexual = 25 (3%) Heterosexual = 687 (81%) Homosexual = 46 (5%) Pansexual = 6 (1%) Prefer not to say = 75 (9%) Prefer to describ0 my sexual Orientation = 3 (1%)	N/A
Sex (gender)	No	There is a significant difference between the number of women trade mark	Middle and junior level attorneys show proportionately higher numbers of women than men which may suggest a trend of more women entering the professions. No targeted action is required but it is important to note that all

[2] As at 29 May 2025

		attorneys (63%) compared to patent attorneys (39%) when looking at those that responded to our survey; LSB benchmark: 47%. The professions' very senior ranks reflect a slightly higher ratio of men to women (51%/45%)	attorneys can apply to IPReg to be moved to the "not in active practice" category if they are not currently working for whatever reason.
Age	No	20% of those responding to our latest survey report they are aged 55-65+ and 17% are under the age of 35. Registration on both trade mark and patent attorney registers is the most expensive fee paying category and of those that responded to the survey, 63% were aged 45-64	The number of attorneys on both registers is lower than 10% and mainly represents an historic grandfathering policy. Numbers are decreasing over time as it is no longer common practice to be dual-qualified. We have no evidence that the practising fee has any disproportionate impact on either the younger or older groups.

Question	**Explanation / justification**

Is it possible that the proposed level of PCF could discriminate or unfairly disadvantage members of the regulated community?	We have limited evidence that the level of the fee or the proposal to increase could potentially discriminate against or unfairly disadvantage attorneys with who have a disability or who are of an ethnic minority. This is based on survey responses which asked the question "in the last 12 months, have you experienced feeling at risk of financial hardship because of your work or income?" This data is limited however (our survey response rate was 22%) and should be seen in the context that the vast majority of registered attorneys do not pay their own fees. As part of the consultation on the level of 2027 practising fees we are asking respondents if they have any comments on this equality impact assessment. One respondent responded that while not a protected characteristic, IPReg should more fully consider the impact of fees on those with caring responsibilities who are more likely to be women and who are more likely to work part time as a result of those responsibilities. The suggested remedy for any unfair disadvantage or discrimination was to consider reduced fees for those who work part time. This would require significant changes to our online CRM as well as increased resourcing in terms of compliance monitoring so has not been considered as a viable option for the 2027 practice year. We consider our fee waiver policy mitigates appropriately the risk that the proposed PCF levels might disproportionately impact any particular group with a protected characteristic.	
Final Decision	**Tick the relevant box**	**Include any explanation / justification required**
No barriers identified	✓	Whilst recognising the potential impacts on two groups, we do not consider those impacts to be barriers
Bias towards one or more groups		
Adapted practising fee to eliminate bias		

Barriers or impact identified but having considered all options carefully, there appear to be no other proportionate ways to achieve the policy aims in the programme of activity but by charging this level of practising fee.		

Annex 14: Final fee payer communication

When we email registrants about the 2027 Annual Renewal process, we will draw attention to our final budget and business plan. Although subject to amendment, we expect the email will state:

Dear [Name]

I'm writing to let you know that the Legal Services Board (LSB) has agreed to IPReg's proposal that its practising fees should be increased in 2027 by 2.97%. Please see the 2027 Budget, Business Plan (link) and Practice Fees Regulations 2026 (link) for further details.

Your practising fee includes a levy to pay for the LSB and the Legal Ombudsman. IPReg does not have any control over the amount of these levies. IPReg's contribution to the LSB levy for its financial year 2026/27, is estimated to be £100,400. Our contribution to the Legal Ombudsman's costs is set at £5,325 which includes our contribution to the OLC Transformation Project for 2026/27. The LSB and Ombudsman levies together comprise around 6.4% of our total expenditure.

All the income we collect from practising fees funds our regulatory activities; if you are a member of CIPA and/or CITMA, they will collect your membership fee separately and use it to fund their own activities. You do not have to be a member of CIPA or CITMA to be on IPReg's register(s).

Fees are due for payment on 1 January 2027 and all fees must be paid by 31 January 2027. Attorneys and firms that have outstanding fees on 1 March 2027 will be suspended from the register and attorneys may have to pay a late payment fee payment of 50% of the practising fee (up to a maximum of £250) in addition to the practising fee in order to renew their registration after this date.

If you are suffering hardship, you can ask us to waive your practising fee. Please contact us [LINK] for more information.

If you do not wish to renew your registration, you must complete the Voluntary Removal form in your IPReg account.