

MINUTE OF EXECUTIVE COMMITTEE MEETING – 04 OCTOBER 2016

Present:	Louis Taylor	Attending:	John Cundy
	Cameron Fox		Pat Cauthery
	Lucy Wylde		Mark Hopkins
	Shane Lynch		
	Bhaskar Dasgupta		

Secretary: Charles Hickson

Apologies: David Havelock

Neil Harris

Gwen Williams

Gordon Welsh

1 **Minutes of previous meeting, actions**

- 1.1 EC approved the minutes and actions of the previous meeting with a minor change to the actions log.

2 **Aerospace and Defence Review**

- 2.1 EC reviewed the paper from Aerospace and Defence branch.
- 2.2 EC discussed current levels of aerospace business, trends in the defence sector and new opportunities in both. EC suggested that the expected business forecast should be reduced.
- 2.3 EC gave feedback and actions for Pat Cauthery to consider, along with clearing the paper for submission to the UKEF Board.

3 **IAAD: Export Finance Advisors Audit**

- 3.1 EC considered the audit report on Export Finance Advisors, presented by John Cundy in the absence of the paper authors.

- 3.2 EC discussed the recommendations given and agreed the timelines set for these. EC noted that a further paper should be submitted after the implementation, by middle of next year (2017). Item placed on ARC agenda for next year.
- 3.3 EC cleared the paper for submission to the Audit and Risk Committee, with a few minor changes.

4 IAAD: Procurement

- 4.1 EC considered the audit report on procurement, presented by John Cundy in the absence of the paper authors.
- 4.2 EC discussed and agreed the recommendations given.
- 4.3 EC cleared the paper for submission to the Audit and Risk Committee, with a few minor changes.

5 IAAD: Conflicts of Interest

- 5.1 EC considered the audit report on conflicts of interest.
- 5.2 EC discussed the risk presented by conflicts of interest and requested that the relevant Secretariats for EC, CC, UKEF Board, etc. check for the presence of any conflicts of interest held by members at the start of each meeting. This includes an action to update the Terms of Reference documents. Action logged to CXO Secretariat.
- 5.3 EC cleared the paper for submission to the Audit and Risk Committee, with a few minor changes.

6 Counter-Fraud Framework

- 6.1 EC considered and discussed the paper on UKEF's Counter-Fraud framework.
- 6.2 EC recommended that Mark Hopkins work with Operational Risk Division to include more detail on how fraud is prevented by the Department.
- 6.3 EC cleared the paper for submission to the Audit and Risk Committee, with a suggestion to include reference to managing the risk of financial loss.

7 AOB

- 7.1 A slot will be added to Senior Leadership Team for EC members to disseminate important information arising from the latest EC meetings. Action logged to CXO Secretariat to amend the SLT Terms of Reference.

Charles Hickson
Chief Executive's Office

MINUTE OF EXECUTIVE COMMITTEE MEETING – 11 OCTOBER 2016

Present:	Louis Taylor	Attending:	Kate Kendall
	Cameron Fox		Lucy Meekums
	Lucy Wylde		Vasso Agapitou
	Shane Lynch		Mattias Christensson
	Gordon Welsh		Richard Smith-Morgan
	Bhaskar Dasgupta		Paul Radford
			Dhiren Patel
Secretary:	Charles Hickson		Michael McHugh
Apologies:	David Havelock		Richard Wade
			Gwen Williams
			Neil Harris
			Graham Cassell

1 **Mid-Year Indicative Ratings**

- 1.1 EC considered the mid-year indicative ratings, presented by Shane Lynch. EC agreed the ratings following discussion.

2 **Talent and Performance Management**

- 2.1 EC discussed talent and performance management, presented by Kate Kendall, Lucy Meekums and Shane Lynch.

3 **Review of Minutes, Actions**

- 3.1 EC approved the minutes of the previous meeting subject to one minor change.

4 **Comparison of ECA Claims Experience**

- 4.1 EC reviewed the paper comparing the level of claims paid out by ECAs, presented by Vasso Agapitou. EC noted that UKEF's claim experience is low.
- 4.2 EC requested that future discussion be held in relation to increasing the risk appetite and volume for short-term business.
- 4.3 EC cleared the paper for submission to the October Board.

5 Local Currency Financing

- 5.1 EC considered this paper (already cleared by Credit Committee) on local currency financing and the implications for future business, presented by Paul Radford. EC agreed that the proposals presented positive future business opportunities.
- 5.2 EC recommended that a communication strategy element be developed into the paper before it is presented to the Board.
- 5.3 Subject to the above, EC cleared the paper for submission to the October Board.

6 Active Portfolio Management

- 6.1 EC reviewed the paper (already cleared by Credit Committee) considering UKEF's current Active Portfolio Management policy and risk concentrations, presented by Paul Radford.
- 6.2 EC agreed the recommendations set out in the paper and made a minor amendment.
- 6.3 EC cleared the paper for submission to the October Board.

7 Recalibration of the Risk Appetite Limit

- 7.1 EC considered the paper (not formally considered by Credit Committee) on UKEF's current risk appetite limit, presented by Paul Radford. EC discussed future business opportunities if changes to UKEF's risk appetite are made.
- 7.2 EC agreed the recommendations set out in the paper.
- 7.3 EC cleared the paper for submission to the October Board.

8 Review of the Exposure Management Framework

- 8.1 EC considered the paper (not formally considered by Credit Committee) on UKEF's total exposure limit, presented by Paul Radford.
- 8.2 EC agreed the recommendations set out in the paper.
- 8.3 EC cleared the paper for submission to the October Board.

9 Autumn Statement Papers

- 9.1 In relation to the above four papers from CRG, EC requested that a plan of implementation is submitted to EC.

10 Audit Mid-Year Review

- 10.1 EC discussed the findings of Internal Audit's mid-year review, presented by Gwen Williams and Neil Harris.

10.2 EC recommended that further explanations be included for the long-term audit projects when the findings are presented to the Board.

10.3 Subject to minor changes, EC cleared the paper for submission to the October Board.

11 Consolidation of Corporate Services

11.1 EC discussed the potential of the consolidation of corporate services between UKEF and DiT, presented by Graham Cassell. EC accepted the recommendations and gave guidance on questions posed by the paper.

12 AOB

11.1 The Chief Operating Officer informed EC of an upcoming annual exercise as part of the Business Continuity Plan.

Ben Robey

Chief Executive's Office