

MINUTE OF MANAGEMENT BOARD MEETING – 24 JANUARY 2013

Present: Guy Beringer (Chair) Steve Crosley Item 5
 David Godfrey Jimmy Croall Item 7
 Jon Harding (UKTI)
 Sir Eric Peacock
 David Havelock
 Nigel Addison Smith
 Steve Dodgson
 Sue Johnson

Apologies: Nicholas Ridley

Secretary: Iain Phillips

1. Draft Minute of 20 December meeting

1.1. The draft minute was agreed.

2. All-Party Parliamentary Group on International Corporate Responsibility

2.1. MB discussed recommendations made in the recent report on UKEF by the APPG on International Corporate Responsibility. MB noted that in keeping with all OECD Export Credit Agencies (ECAs), UKEF applied the relevant international standards. It did not recognise the assertion that any other ECA applied standards beyond those agreed by the OECD.

2.2. MB also agreed that UKEF operated in an environment unlike other ECAs due to the level of scrutiny that existed over its operations, which included its accountability to Parliament, House of Commons and Lords Select Committees, Freedom of Information and Environmental Information Regulation legislation and the court system through judicial review proceedings. In addition, UKEF had a statutory body, in the Export Guarantees Advisory Councils, whose role it is to consider environmental, social, human rights and transparency issues.

3. Business Bank

- 3.1. MB discussed current consideration being given to whether there was a role for UKEF within the Business Bank being implemented by the Department for Business, Innovation and Skills.
- 3.2. The Board agreed that the BIS team would not only need to take into account State Aid considerations but if export credits were to be offered by the bank, they would also need to take into account the extensive international regulation that applied to official export credit agencies.
- 3.3. MB agreed that it would be sensible for UKEF to consider the potential options for collaboration with the business bank once its role and structure had been agreed.

4. Staff Resourcing

- 4.1. MB discussed resourcing implications of the increased workload that UKEF was seeing in addition to the various initiatives that had been launched by Government since the Trade White Paper of 2011. In this time UKEF had launched three short-term products, widened its remit to all goods and services exports, re-launched its export insurance product, announced the launch of both an export refinancing and direct lending facility and was working with UKTI to identify 20 high value projects where UKEF support to secure UK export opportunities. During this same period, staff numbers had not increased.
- 4.2. The noted that Management had put in place resourcing plans, which focussed not only on the proper resourcing of the department in the light of current workloads but also took into account talent management and adequate succession planning. MB discussed the proposed timetable for implementation of such plans.

5. Staff Engagement

- 5.1. MB discussed the outcomes of the 2012 Civil Service People Survey and the department's Investors in People assessment, which had both been completed recently.

2012 Civil Service People Survey

- 5.2. MB noted that staff engagement has remained consistent at around the civil service average whereas the staff response level was consistently higher than the average, ranging between 71 and 89%.
- 5.3. The Board agreed that a number of factors would be expected to dampen staff engagement, including the ongoing civil service pay freeze, pension reforms and uncertainty over the office relocation.
- 5.4. There was agreement that it was important to revisit the vision and value statement produced in 2010 and not only refresh them with staff input but also consider the behaviours behind the values.

Investors in People

- 5.5. MB noted that UKEF had been awarded the basic standard following the Investors in People (IIP) assessment conducted in 2012. The IIP assessment had highlighted similar areas for further work as the Civil Service People Survey, which could be addressed simultaneously.

6. Middle East Scenarios

- 6.1. MB did not discuss this item. However, it decided that it should have a more detailed discussion with UKEF's credit risk team on scenario and stress testing analysis.

7. December Monthly Management Information

- 7.1. MB noted the December financial position, which showed that UKEF was meeting all of its financial objectives. Support provided to exporters and premium income were at a ten-year high and UKEF had guaranteed 241 facilities in the first nine months of 2012-13.

8. Review of MB Terms of Reference

8.1. This agenda item was deferred to the Board meeting in March.

Iain Phillips

Chief Executive's Office