

MINUTE OF UKEF BOARD MEETING – 10 SEPTEMBER 2015

Present:	Guy Beringer (Chair)	B Helps	Item 2
	Sir Eric Peacock	(Oliver Wyman)	
	Amin Mawji	P Cauthery	Item 2
	David Godfrey	R Smith-Morgan	Item 2
	David Havelock	G Cassell	Item 3
	Lucy Wylde	M Thompson &	Item 3
	Cameron Fox	J Holt	
	Ben Cropper	(Methods Digital)	
	Jane Owen	K Hibberd	Item 3
	Justin Manson	L Nichols	Item 3
		E Ashwell &	Item 4
		J Pfeffer	
		(ShEx)	
Apologies:	Steve Dodgson		
Secretary:	Satnam Singh		

1. **Draft Minute of 9 July meeting**

1.1. The draft minute was agreed.

2. **Oliver Wyman Report on SME Export Financing**

2.1. The report that had been jointly commissioned by UKEF and the British Business Bank (BBB), at the request of Lord Maude, the Minister for Trade and Investment (MfT), was presented to the UKEF Board.

2.2. This report, exploring the financing issues faced by smaller businesses involved in or thinking of exporting, was presented by Ben Helps of Oliver Wyman, the external consultants employed to undertake this study.

2.3. Board members were taken through the main findings and conclusions of the report and were informed that the main recommendations being made were:

- Government should review all export support and launch focused initiatives to increase the value of exports and number of exporters;
- The “GREAT” brand should be continued as it was making it easier for new/existing exporters to find the support they need;

- UKEF should look to develop its outreach to SMEs across all channels, including through digital channels;
- UKEF should look to adapt its delivery model to make it easier for SMEs to deal with them;
- Government should focus and expand its financing product range to meet the needs of SMEs looking to export, and,
- Government should review ways to increase transparency and efficiency in the market for export finance.

2.4. Although it was recognised that some of the recommendations were beyond the remits of UKEF and the BBB, Board members thanked Ben/Oliver Wyman for their work and welcomed the report's recommendations on initiatives that UKEF and the BBB could explore.

2.5. The Board agreed that they would be willing to engage further with the BBB in an effort to develop existing products aimed at smaller or new exporters and to work with them to investigate the possibility of introducing new products.

2.6. It was noted that this report would also be presented at the Trade and Investment Board (TIB) on Monday 21 September, which would be chaired by Lord Maude.

2.7. Keith Morgan, CEO of the BBB would also be present at the TIB to talk through the findings, recommendations and next steps.

3. Digitisation Update

3.1. The Board was given an update by Mark Thompson and John Holt of Methods Digital, on the progress of digitisation activity in the organisation, as part of work to become a "Digital by Default" department.

3.2. Graham Cassell, Head of the PMO, also updated the Board on the work of Reading Room, an external digital specialist company that had been employed to help undertake this work, and advised that he would circulate a separate note to the non-executive directors with more detail.

- 3.3. Board members were informed that the digitisation work being undertaken involved working with UKTI, the BBB and the Government Digital Service (GDS), and that a joint presentation would be made with UKTI, at the TIB.
- 3.4. The Board heard that while many aspects of UKEF's application and business processes could be further digitised, because of the nature of UKEF's often complex support arrangements, not all aspects could be easily digitised. Comparisons with other government departments should therefore factor in this important point.
- 3.5. It was also discussed that the whole "Digital by Default" exercise requires strong leadership and clear direction and would benefit by strong governance, which may need to be at Task Force level.

4. Non-Executive Director/Chair Recruitment

- 4.1. Emily Ashwell, from the Shareholder Executive, gave the Board an update on the recruitment of a new Chair for the UKEF Board and another non-executive Director, through a single recruitment campaign.
- 4.2. The Board was informed that the MfT had agreed an extension to the existing Chair's term until July 2016 and that a new Chair would initially join as a non-executive Director until the current Chair's term expired in July 2016.
- 4.3. It was recognised that the timeline for the recruitment campaign was challenging but achievable and that it would be very useful if the new recruits possessed some experience of introducing digitisation into an organisation or wider digital working.

5. SR15 / Pay Progression

- 5.1. Board members were given an update on the two-phase approach being taken by UKEF on dealing with the Government Spending Review 2015 (SR15).
- 5.2. Phase 1, which required a high-level submission to HMT with business figures, had been dealt with by the 4 September deadline.

- 5.3. The next phase, to be submitted to HMT by the end of October 2015, would involve delivering a detailed plan of what, how and when efficiencies in administrative costs over the 4 years of the spending review would be delivered by UKEF.
- 5.4. The Board was also given an update on the staff pay progression buy-out that HMT had insisted be completed before discussions on new pay proposals could commence.
- 5.5. The Board asked the Head of HR to keep the MFT briefed on the pay proposals in UKEF.

6. Changes to ToR

- 6.1. It was agreed by Board members to make changes to the Terms of Reference (ToR) to the UKEF Board / Board Operating Framework / Remuneration Committee and Audit & Risk Committee.
- 6.2. This would permit other independent representatives agreed by the UKEF Board to join non-executive directors on the two sub-committees of the Board, and allow the possibility of a broader range of knowledge, experience and expertise on key UKEF committees.
- 6.3. Justin Manson, UKEF Board attendee from the Shareholder Executive was elected onto the UKEF Remuneration Committee and Audit & Risk Committee.

7. Any Other Business

- 7.1 There was no other business.

Satnam Singh
Chief Executive's Office