

- 2.3 EC noted that an application to the EU would be decided by the ability of private sector credit insurers to produce evidence of the range of cover available. EC noted that, given the maturity of the UK's credit insurance market, this would likely require a public consultation, to which private providers would provide evidence.
- 2.4 EC agreed that it remained difficult to anticipate the levels of business that it might be possible for UKEF to cover under an exemption and this meant uncertainty on whether there was a significant economic benefit to making an application.
- 2.5 EC noted that the research had reinforced the importance of awareness as a factor in the uptake of credit insurance by SMEs (which supported UKEF's increased emphasis on marketing and market intelligence).
- 2.6 EC asked that TFIS produce final advice for the Secretary of State, drawing on its conclusions, and taking account of the position of HM Treasury. TFIS should present this to EC before sending to Ministers.

Action: Paul Croucher

3 Advisory Proposition

- 3.1 EC noted an outline of EFA advisory activities and next steps to formalise and communicate these.

4 Mid-sized Business Adviser Proposition

- 4.1 EC noted plans to recruit three Export Finance Advisers dedicated to the MSB sector.

5 Key Performance Indicators

- 5.1 EC discussed the development of key performance indicators, and agreed a set of guidelines for their formulation. EC agreed that the indicators should be presented in alignment with Business Plan objectives. EC agreed the next steps, which would be taken forward by PMO.

6 Management Board: 1 May

6.1 EC noted the draft agenda and asked the Secretariat to consider whether there were further items to add.

Action: Laurence Lily

6.2 EC noted that it would receive a report back from the ISAC committee following that committee's next meeting.

Action: Laurence Lily to add to forward diary

7 Any other business

7.1 The Business Group Director outlined a proposition for IEFAs, which envisaged drawing on local UKTI staff from overseas posts. EC noted that, following its agreement by the Chief Executive, UKEF would put this to UKTI for agreement. EC agreed that the current arrangements with an external supplier should continue until the new proposition is developed and functioning effectively.

Laurence Lily

Chief Executive's Office

- 3.2 EC asked for a summary of the review to be presented to Audit Committee and that a follow-up be presented to EC in October 2014.

Action: Secretary to add to forward diary

4 Legislation Update

- 4.1 EC endorsed the position proposed in relation to the variety of potential consents, approvals or assessments required in relation to the proposed legislative changes. EC agreed the form of monthly updates it wished to receive, and asked that these include sources of assurance and/or mitigating actions in connection with significant risks highlighted.

Action: Secretary to add monthly updates to forward diary

- 4.2 EC discussed the issue of legislative competence in the devolved administrations, noting that there did not seem to be any need to seek a legislative consent motion in respect of any of the devolved administrations as regards the proposed changes to legislation. However, in the case of Northern Ireland, UKEF may need an Order in Council to remove any doubt that the UK Parliament has legislative competence in relation to the application of the EIGA in Northern Ireland.

5 Communications for launch of UKEF Business Plan

- 5.1 EC noted planned activity to communicate UKEF's business plan.

6 Marketing and Communications Posts

- 6.1 EC noted some adjustments to the planned recruitment for Communications and Marketing roles and agreed that recruitment should be progressed immediately, with stage 3 and 4 of the process carried out simultaneously.

7 Any other business

- 7.1 EC noted recent discussions at the Heads of the G7 ECAs meeting in Canada, including in relation to support for fossil fuel power generation projects.
- 7.2 EC noted the recent announcement by the Bank of England that UKEF-guaranteed debt capital market notes can be eligible for the Bank of England's Sterling Monetary Framework.
- 7.3 EC noted that UKEF governance arrangements remained under review.
- 7.4 EC agreed that SMT should be reconstituted under new Terms of Reference, with the assumption that members of EC should not be members of SMT. EC invited the current Chair of SMT to take this forward.

Action: Stephen Lawrenson to brief Graham Cassell

Laurence Lily
Chief Executive's Office

MINUTE OF EXECUTIVE COMMITTEE MEETING – 23/04/14

Present:	David Godfrey Steve Dodgson Cameron Fox Stephen Lawrenson Lucy Wylde	Attending:	Paul Croucher Olga Crosse Graham Cassell Matthew Vale Andrew Barton Paul Radford Richard Wade Juliana Sancto	(Item 2) (Item 2-4) (Item 5) (Item 5) (Item 5) (Item 6)
Apologies:	David Havelock			

Secretary: Laurence Lily

1 Draft minute of 8 April meeting and matters arising

- 1.1 The draft minute was approved. EC noted actions from previous meetings that were completed or in hand.

2 Cardiff Lease

- 2.1 EC considered the options for the future of the UKEF site at Lambourne Crescent in Cardiff in light of recently approved plans to stop using the site for one of its current purposes as a disaster recovery facility.
- 2.2 EC agreed that the PMO should explore two options in detail:
- 2.2.1 To not renew the lease in September 2014 and use an external supplier of records managements facilities, which retains existing permanent staff under TUPE regulations; and
 - 2.2.2 To renew the lease on a shorter basis, e.g. for one year, during which alternative record management arrangements could be established.

Action: PMO to consider these options and revert to EC

3 Property Shared Services

- 3.1 EC noted plans for UKEF to join a cluster of other smaller government bodies in sharing facilities management knowledge and skills, although not services, as this would be of limited benefit given UKEF's size. EC noted that this arrangement had the potential benefits for reporting and staff development.

4 Information Security Assurance Committee update

- 4.1 EC noted ISAC's assessment of information security risk and the controls in place to mitigate the risks. EC noted that there were significant risks, but that the risk profile was reducing as new laptops were introduced, which address a number of issues. EC agreed that a presentation from external experts to raise staff awareness of the risks would be welcomed.

5 Export Refinancing Facility

- 5.1 EC agreed:
- 5.1.1 ERF is in a state of readiness to launch on 30 April, and
 - 5.1.2 there should be some flexibility in the setting of ERF's hiatus margin, as long as the 95% confidence of a successful refinancing is maintained.
- 5.2 EC noted that HMT were supportive of a flexible hiatus margin. EC discussed a number of options on how this flexibility could be administered and communicated e.g. the hiatus margin could be a series of incremental step-ups, or could be linked to a substantial increase between the initial loan rate and the hiatus margin.
- 5.3 EC asked the General Counsel, Business Group Director and Credit Risk Group Director to work with ERF's SRO and Project Team to agree a set of criteria that would allow UKEF to offer a flexible hiatus margin that maintained or increased our 95% confidence level.

Action: Andrew Barton to co-ordinate

6 Strategy 2014-17 Publication

- 6.1 EC reviewed a 6-page publication being prepared in order to communicate a summary of UKEF's new three-year Business Plan. EC members provided a number of suggested changes and agreed that any further comments should be provided by the end of the day, with a small editorial team to agree the final copy by Friday 25 April.

Action: Juliana Sancto to co-ordinate

7 Any other business

- 7.1 EC agreed that the EFAs would receive a presentation on the Direct Lending Facility at their meeting in May.
- 7.2 EC agreed that the UKEF dress code should be re-clarified and enforced.

Action: Olga Crosse to review and issue guidance for staff and managers

- 7.3 EC noted that new business case training from civil service learning was now available and EC members should cascade to staff as appropriate.

Laurence Lily

Chief Executive's Office

MINUTE OF EXECUTIVE COMMITTEE MEETING – 29/04/14

Present: David Godfrey
Steve Dodgson
David Havelock
Stephen Lawrenson
Lucy Wylde

Attending: Olga Crosse
Frank Gough (Item 2)
Rupert James (Item 3)
Alice Streatfeild (ORC) (Item 3)

Apologies: Cameron Fox
Paul Croucher

Secretary: Laurence Lily

1 Draft minute of 23 April meeting and matters arising

- 1.1 The draft minute was approved. EC noted actions from previous meetings that were completed or in hand.

2 Review of the Interest Rate Provisions of the OECD Arrangement

- 2.1 EC considered recommendations on the most appropriate position for UKEF to take at international meetings in discussions on reviewing the interest rate provisions of the OECD Arrangement. Following discussion EC agreed the recommendations put forward, but noted that:

2.1.1 UKEF should challenge moves to link the construction of CIRR solely to bank pricing and should advocate other market benchmarks; and

2.1.2 technical resource should be made available from CRAD to support CXO but that, overall, UKEF's input to the OECD discussions should not consume significant resource;

2.1.3 CXO would agree this approach with HM Treasury.

3 Staff Engagement

- 3.1 EC received a presentation on the results of work carried out by an external consultancy to review staff engagement within UKEF and discussed a number

of issues that the research had identified. EC asked HRD to circulate the full report to EC and to arrange for the supplier to meet with EC members to agree the contents of a presentation to staff at the next Town Hall meeting.

Action: Rupert James

4 Any other business

- 4.1 EC agreed a number of staff rewards in recognition of notable individual contributions. HRD will communicate these on the staff intranet.
- 4.2 EC agreed that money would not be made available to support UKEF staff participation in another department's sports day. This had not been budgeted for and it was felt there was a risk that it would not benefit a significant number of UKEF staff due to the location of the events being organised.

Laurence Lily

Chief Executive's Office