

MINUTE OF EXECUTIVE COMMITTEE MEETING – 2/12/14

Present:	David Godfrey (Chair)	Attending:	Olga Crosse	
	Cameron Fox		Stuart Roddam	Item 2
	David Havelock		Patrick Crowley	Item 2
	Stephen Lawrenson		Graham Cassell	Item 3 and 4
	Lucy Wylde		Lucy Meekums	Item 5
			Naren Pandya	Item 8
Secretary:	Laurence Lily		Arwen Robertson	Item 8
Apologies:	Steve Dodgson			
	Paul Croucher			

1 Draft minute of 28 October meeting and matters arising

- 1.1 The draft minutes were approved. EC noted actions from previous meetings that were closed or in hand.
- 1.2 David Godfrey told EC he would be having regular review meetings with the heads of BD1, 2 and 4 in Steve Dodgson's absence and would discuss, among other things, post-issue management and resources for handling claims.
- 1.3 EC noted that the Chief Executive's Office was engaged in facilitating appropriate contacts among UKEF's customers for the panel members of the Labour Party's Cole review into government export support.
- 1.4 EC noted that MB had requested a more detailed review of UKEF's IT strategy, following its IT strategy update on the 12 November. EC suggested that this be scheduled for the 5 March.

Action: Secretariat to arrange

2 Monthly business performance review

- 2.1 EC noted the monthly update on business issued and forecast. It noted the impact of reduced aerospace volumes on premium income, while acknowledging that this did not cause pressure on UKEF's financial objectives, which remained comfortably within the parameters set by HMT.

2.2 EC noted a slowdown in the past month in the number of companies supported or receiving commitments under the TFIS products. EC requested that the senior EFAs and the MSB advisers be invited to meet with the Chief Executive to discuss in the New Year.

2.3 EC noted developments, risks and issues from across the Divisions

3 Change Board update

3.1 EC noted this update.

4 Enhanced Lending System Changes Project

4.1 EC agreed a recommendation from the Change Board to approve the budget for the ELSC project. EC emphasised the importance of ensuring that UKEF maintains ready access to the expertise required to maintain and develop its core system following the completion of the project.

5 Leadership

5.1 Lucy Meekums introduced the initial finding from UKEF's leadership development programme. EC noted that feedback and training would be provided to those who had undergone assessments as part of the programme. EC agreed that line managers should make clear that this follow-up is essential.

Action: Lucy Meekums to write to the line managers of those assessed

5.2 More broadly, EC agreed that the findings would need to inform a substantial review of UKEF's organisational structure and prompt work to define the expectations of leadership within UKEF.

6 Legal resources

6.1 EC agreed to the requested increase in the level of funded legal adviser posts through to 31 March 2016. EC agreed that this was subject to GCO building in

resource flexibility (e.g. through secondments or contracted staff) so it can respond to unforeseen changes to demand for its services.

7 Legal consultancy

- 7.1 EC agreed that GCO should approach the Cabinet Office for an exemption from controls on legal consultancy where UKEF accessed external legal panel resource on a no recourse basis on work to protect the taxpayer from losses arising from export finance and insurance transactions.

8 GEFCO

- 8.1 EC agreed to arrangements for the management of GEFCO records, requesting that the agreed period of retention should be included in correspondence with the partner bank. EC noted that the proceeds of liquidation would be shared with a charitable trust as ultimate shareholder. EC advised FG to obtain confirmation of the charitable cause the proceeds would benefit.

9 Finance Group resources

- 9.1 EC agreed a request to recruit from the Financial Control Division, which was a change from the previously agreed resource plan.

10 STARS awards

- 10.1 EC met in camera to agree the STARS awards for November.

Laurence Lily
Chief Executive's Office

- 3.1 The draft minutes were approved, subject to minor amendments. EC noted actions from previous meeting that were either closed or in hand.

4 Next spending review

- 4.1 EC discussed the need to begin planning for the next spending review, which would likely conclude in October 2015. EC agreed that UKEF should prepare for detailed challenges from its HMT spending team and prepare contingency plans for the full range of possible outcomes.
- 4.2 EC discussed some possible approaches to meeting spending challenges, noting that UKEF had already published commitments in its Business Plan to make changes to its structure, to develop talented leaders and to improve processes so they deliver more at lesser cost. EC agreed it would consider further at an off-site meeting in the New Year.

Action: Secretary to arrange

5 Draft supplementary estimate

- 5.1 EC noted the draft supplementary estimate, which was being finalised before a 14 January deadline for data adjustments. EC agreed with the estimate as presented, subject to a final decision on the reduction in AME to reflect the potential Direct Lending uptake in the remainder of the financial year.

Action: Cameron Fox

6 Security Committee

- 6.1 Lucy Wylde provided a report-back from the last Security Committee meeting. EC noted a reduction in the assessment of security risk due to a number of mitigating actions that had been completed since the last report. EC also noted a number of issues that had been raised, including the potential for improvements to the department's document and knowledge management practices.

Laurence Lily
Chief Executive's Office