

MINUTE OF EXECUTIVE COMMITTEE MEETING – 1 SEPTEMBER 2015

Present: David Godfrey
David Havelock
Cameron Fox
Lucy Wylde
Paul Croucher

Attending: Mark Thompson (Item 1)
Kristian Hibberd (Item 1)
Graham Cassell (Item 1)
Lawrence Nichols (Item 1)
Stephen Head (Item 2)
Shane Lynch
Steve Dodgson (apologies)

Secretary: Steven Huntington

1 Update on Digital project (Mark Thompson et al)

- 1.1 EC was updated on the preliminary findings of the Methods Digital Group, prior to their presentation to the UKEF Board on 10 September.
- 1.2 Mark Thompson and his team emphasised that the report recognised that digitisation of government services was a cross-government issue; accordingly, a one-size-fits-all set of recommendations would not be appropriate.
- 1.3 EC noted the importance of developing a joint approach with UKTI and BIS (given their leadership roles), and the challenges of doing so, given UKTI restructuring and their differing policy priorities; secondees from both departments would be useful.
- 1.4 EC also noted the importance of developing a digital vision for UKEF, one that focused both on UKEF's internal processes and UKEF's engagement with its external stakeholders, particularly SMEs. The report's recommendations on the former were uncontentious. On the latter, EC accepted the need for holistic, cross-government support for SMEs, but this had proven to be challenging. There were ways to automate workflows (for instance, via CRM) in response to SME queries, but any redesigned system had to be compliant with gov.uk standards.
- 1.5 EC questioned whether UKEF's specialised IT systems were a cause for concern, given regulations on single suppliers. The IT team had a number of processes in place and was monitoring the planned switch in IT providers closely; priority would be given to the eFit programme.

2 Update on Spending Review

- 2.1 EC was informed that UKEF's submission to HMT would be sent by the 3/4th of September. The Board would receive the submission and be updated verbally.
- 2.2 EC's approach regarding pay progression was now with trade union representatives. All UKEF staff were informed of the broad outlines of the approach at the last town hall meeting. The next steps would depend on the reaction of trade union representatives.
- 2.3 EC was updated on, and accepted, forecasts of business that were revised at EC's request prior to submission to HMT as part of SR15. Any changes to previously approved forecasts would require EC approval.

Steven Huntington

Chief Executive's Office

MINUTE OF EXECUTIVE COMMITTEE MEETING – 7 SEPTEMBER 2015

Present: David Godfrey
David Havelock
Cameron Fox
Lucy Wylde

Attending: Adam Harris (Item 2)
Pat Cauthery (Item 3)
Shane Lynch
Steve Dodgson (apologies)
Paul Croucher (apologies)

Secretary: Steven Huntington

1 Minutes of previous meetings, actions

1.1 EC provisionally approved the minutes of the 1 September meeting, pending some changes to the text; the actions log was updated.

2 UKEF support for Boeing (Adam Harris)

2.1 EC was briefed on several opportunities to lead in providing support to aerospace and satellite contracts, given the recent lapse in EXIM's authorisation. Both the aerospace and satellite markets were fairly strong, and there was potential for other ECAs to adopt a secondary role in the mooted deals.

2.2 EC was advised by GCO that the proposed actions were *vires* and met the "reasonableness" test, though this was an opportunity to review policy, given UKEF's new powers. Adam Harris observed that there was in fact precedent for UKEF directly guaranteeing R-R powered Boeing aircraft without reinsurance on a 'roll-up' basis (i.e. for the sake of simplicity support being provided for a whole aircraft in lieu of reinsuring the UK content on a larger number of eligible aircraft). This had last happened in 2003 for a B747 delivered to Cargolux.

2.3 EC agreed that the Minister for Trade (and the Treasury) should be informed, via submission, of some of the consequences of EXIM's lapsed authorisation, and the opportunities and associated risks of UKEF stepping in and filling the consequent gap in the market to an extent that went beyond established precedent.

3 Oliver Wyman report on support for SMEs (Pat Cauthery)

3.1 EC was informed that the report was complete, and would be presented to the UKEF Board by representatives of Oliver Wyman on 10 September. The report

made a number of recommendations, many of which were cross-governmental in nature; of their UKEF-specific recommendations, several had already been implemented.

3.2 EC believed that – given UKEF’s experience – the barriers to encouraging SMEs to export were significant, and the financial and staff costs of adequately addressing them were not properly emphasised in the report.

3.3 EC requested that a paper summarising the legislative and regulatory frameworks in which UKEF and the British Business Bank (BBB) operate be prepared by Pat Cauthery for the Board.

4 SR(15) and staff pay

4.1 EC discussed recent progress on SR(15) – UKEF’s phase 1 proposal had been submitted to HMT on 3 September – and staff pay. Both topics would be discussed further at the UKEF Board on 10 September.

Steven Huntington

Chief Executive’s Office

MINUTE OF EXECUTIVE COMMITTEE MEETING – 22 SEPTEMBER 2015

Present: David Godfrey Attending: Patrick Cahill (Item 2, 3)
David Havelock Matthew White (Item 3)
Cameron Fox Matt Hopkins (item 4)
Lucy Wylde Shane Lynch
Steve Dodgson Pat Cauthery (AOB)

Secretary: Steven Huntington

1 Minutes of previous meetings, actions

- 1.1 EC approved the minutes of the 1 September meeting, and provisionally approved the minutes of the 7 September meeting, pending one change to the text; the actions log was updated.

2 QPR timetable (Patrick Cahill)

- 2.1 EC was briefed on the planned timetable of the Q2 Business Performance Review (BPR). EC welcomed recent improvements in the process, and reiterated that management-level staff should fully support it.
- 2.2 On forecasting, EC agreed that teams should include upper and lower estimates in future forecasts.

3 Forward Plan Review (Patrick Cahill, Matthew White)

- 3.1 Patrick Cahill outlined several improvements made to the FPR to increase its relevance as a management tool. The improvements, which had been developed following discussions with EC members, involved a limited degree of automation, which would reduce its onerousness on staff for its completion- though this was dependent on building IT capacity around Sharepoint, for instance.
- 3.2 EC noted progress made recently, emphasised that the document should be kept a manageable size, and that the completed FPR could be used by all UKEF staff as a source for information.

4 Outstanding audit actions (Mark Hopkins)

- 4.1 EC was briefed on the outstanding audit actions, most of which related to direct lending; IT was a key factor in several of the direct lending actions.

4.2 A number of team meetings were underway to resolve key actions. EC members approved a pragmatic approach to resolving minor, low-cost outstanding actions. Tax Assurance policy would be discussed at the next EC meeting on 29 September.

5 Any other business

5.1 EC was updated by Pat Cauthery on recent developments at BIS, ShEx and HMT. While recognising the value of involving OGD's in overarching questions of policy, EC emphasised that lines of accountability surrounding operational policy should be clearly and unambiguously drawn.

5.2 Pat Cauthery would report back to EC on the results of a meeting he was shortly having with BIS, ShEx and HMT involved.

Steven Huntington

Chief Executive's Office

MINUTE OF EXECUTIVE COMMITTEE MEETING – 29 SEPTEMBER 2015

Present: David Godfrey
Cameron Fox
Lucy Wylde
Steve Dodgson

Attending: Shane Lynch
Lucy Meekums (Item 2)
Richard Smith Morgan (Item 3)
Kristian Hibberd (item 4)
Mari Siciliano (Item 4)
Rachael Waters (Items 5 & 6)
Pat Cauthery (AOB)

Apologies: David Havelock
Secretary: David Underwood

1 **Minutes of previous meetings, actions**

- 1.1 EC requested that the marked up minutes of the 7 and 22 September meeting be reviewed at the 20 October meeting.

2 **Diversity (Lucy Meekums)**

- 2.1 EC was briefed on the cross civil service programme to improve the levels of diversity in the civil service (The Talent Action plan). HR recommended that the first step to implementing the plan would be to increase and improve the relevant diversity data that UKEF holds. EC discussed how to communicate the need for improved data to staff, and the practical arrangements for collecting and maintaining the data.
- 2.2 EC approved the approach to improve the quality of diversity data held in UKEF.

3 **TFIS Current Position/Future Planning (Richard Smith Morgan)**

- 3.1 Richard Smith Morgan outlined the work being done to transform the TFIS Operating Model. TFIS management information, performance metrics and the new structure will be presented to the UKEF Board on 8 October.
- 3.2 EC discussed how the presentation to the UKEF Board should be further developed and requested detail on costing in particular.
- 3.3 In general, EC welcomed the improved clarity of the situation in TFIS especially the reduction of key man risk, development opportunities and cross training.

4 Marketing and Communications (Kristian Hibberd and Mari Siciliano)

- 4.1 EC discussed the Professional Assurance process, which the Cabinet Office uses to control expenditure on marketing and communications.
- 4.2 EC requested that the MCD paper be expanded in areas that discuss how UKEF can gauge the effectiveness of the programme before being circulated to the UKEF Board for information.
- 4.3 EC approved the approach suggested for submitting the proposed expenditure to the Cabinet Office.

5 Tax Assurance Policy (Rachael Waters)

- 5.1 EC considered the draft policy and proposal for tax assurance for off payroll workers. The draft policy and procedures are in line with Ministry of Justice Guidance. Human Resources Division (HRD) will be responsible for the implementation and monitoring of compliance.
- 5.2 EC approved the policy with a few minor comments and instructed HRD to produce a quarterly report on contractors for RC.

6 Consistency Check (Rachael Waters)

- 6.1 EC reviewed the distribution of performance management markings at the end of the reporting year 2014/15.
- 6.2 EC asked HRD to ensure that line managers did not avoid giving difficult messages to staff where necessary.

7 Any other business

- 7.1 EC was updated by Pat Cauthery on recent developments regarding the US ExIm shutdown. Pat Cauthery will prepare a submission to the BIS Secretary of State outlining the situation and the impact on UKEF.

David Underwood

Chief Executive's Office