

MINUTE OF UKEF BOARD MEETING – 18 JANUARY 2017

Present: Noel Harwerth (Chair) Justin Manson Item 5 – Richard Simon-Lewis,
Amin Mawji Emily Ashwell [REDACTED]
Lawrence Weiss [REDACTED]
Louis Taylor Sir Eric Peacock Item 6 – [REDACTED]
David Havelock Oliver Peterken
Cameron Fox (observer) Item 7 – Bhaskar Dasgupta

Apologies: Caleb Deeks Gordon Welsh Item 8 – Adam Harris
Catherine Raines Item 9 – Shane Lynch

Secretary: [REDACTED]
(observer)

1. Draft Minutes and Actions Log of 13 December 2016 Meeting

1.1. The draft minutes and actions log were agreed.

2. New UKEF Board Chair

2.1. Noel Harwerth, the new UKEF Board Chair, opened her first Board meeting by introducing herself and the new Non-Executive Directors (NEDs) Lawrence Weiss and Oliver Peterken, the latter of whom is due to officially start his role in February 2017. Board members welcomed the new Chair and NEDs.

3. CEO's update

3.1. The CEO delivered his monthly update to the Board, which covered ongoing progress made across UKEF's various functions.

3.2. The Board requested that the new UKEF tier 1 and 2 training package is provided to NEDs as part of their induction. **Action logged to Chief Executive's Office.**

4. Business Performance Update

4.1. The Board received an update on UKEF's business pipeline from Richard Simon-Lewis, the new Head of Civil, Infrastructure & Energy (CIE), in the absence of the Head of the Business Group.

5. Civil, Energy & Infrastructure Business Annual Review

5.1. The Head of CIE delivered a review of business within his remit. The current forecast for closed business is expected to be higher than last year given the strong business pipeline. Trends such as the popularity of the Buyer Credit/Direct Lending blended product, funding gaps in large projects and the emergence of multi-ECA projects against the backdrop of low oil prices and bank liquidity issues were discussed as attributable causes.

5.2. Specific landmark cases were highlighted for the Board to note, including the Offshore Cape Three Points project. The Head of Credit Risk Group noted his satisfaction with the existing risk portfolio, and the Board requested a copy of the latest portfolio risk assessment. **Action logged to Credit Risk Group.**

5.3. Additionally, the Head of CIE discussed its new origination strategy, current and future staffing levels, and resourcing in UKEF's counterparties.

6. Short Term Business Annual Review

6.1. The new Head of Short Term Business, delivered a review of business within his remit. The number of exporters supported is expected to exceed last year's numbers, with a strong pipeline to back up the forecast.

6.2. The Board heard that work underway under the Bank Delegation project, Enhanced Export Working Capital Scheme and Export Finance Manager (EFM) training will improve the process of business as well as attract more customers. A stretch goal of supporting 1,000 exporters by FY 2019-20 has been set.

6.3. The Head of EFMs, then delivered a review of the EFM network. Originally created as a pilot, the Head of EFMs explained to the Board how the EFM programme has contributed direct and indirect financial benefit to the Department.

7. Digital Programme Update

7.1. The Board received an update from Bhaskar Dasgupta, the Chief Operating Officer (COO) on the ongoing work for the Digital Programme.

7.2. In it, the COO stated a series of problems the Department will face as it sees increased demand for support, and he described the journey UKEF must take to meet it through its digital programme.

7.3. The COO talked the Board through the customer journey the Department should visualise and highlighted the key projects, book of work and resource that will support it. It was noted that multi-level conversations between DIT and UKEF were taking place to ensure programme alignment between the two departments where possible.

8. Draft Business Plan 2017-20

8.1. The Head of the Chief Executive's Office, Adam Harris provided the Board with a working draft of the new UKEF Business Plan for the next three financial years (2017-20). Thanks were recorded for members reviewing the draft over the Christmas holiday period.

8.2. The Board were informed that the new business plan focuses on acceleration of the current direction of travel: growing the number of businesses supported and providing further support for businesses. This will be achieved through an improved risk framework (announced recently during the Autumn Statement), setting of immediate priorities and deliverables (Bank Delegation, Digital Portal projects) and the introduction of some internationally-based UKEF staff in selected overseas posts.

8.3. A copy of the draft is currently out with UKEF's key stakeholders, ministers and HM Government departments (UKGI, HMT, DIT) to ensure the messages are conveyed in a clear and accurate manner.

9. Annual HR Review

9.1. The Board received a presentation from Shane Lynch, the Head of HR. The presentation contained key headline metrics and management information, including engagement statistics obtained from the recent 2016 UKEF staff survey.

9.2. On Learning & Development, the Board noted Civil Service Learning has recently undergone a large transition which has resulted in a change of courses available to staff.

10. AOB

10.1. It was noted that the May UKEF Board will be rescheduled to the afternoon, given a clash with the DIT Board taking place in the morning.

[REDACTED]

Chief Executive's Office