

Minute of UKEF Board meeting – 11 March 2019

Present: Noel Harwerth (Chair) [REDACTED] Item 1-4 – Helen Meekings
Oliver Peterken (Observer) Item 3 – [REDACTED]
Lawrence Weiss Gordon Welsh [REDACTED], Richard
Louis Taylor (Observer) Smith-Morgan
Samir Parkash Helen Meekings Item 4 – [REDACTED],
Kim Wiehl Richard Simon-Lewis, [REDACTED]
John Mahon [REDACTED]
Shalini Khemka Item 5 – Patrick Ellis, Arwen
Cameron Fox Robertson, [REDACTED]
Item 7 [REDACTED]

Apologies: Amin Mawji
John Mahon
Justin Manson

Secretariat: [REDACTED]

1. Draft Minutes and Actions Log of 23 January 2019 Meeting

- 1.1. The draft minutes were approved. The meeting discussed the outstanding actions. Gordon Welsh agreed to let the Chair know the date of the next Supplier Fair. It was noted that a paper on Reverse Stress Testing would be considered by the Risk Committee in May.
- 1.2. The meeting discussed the People Survey presentation and agreed that it would be helpful for an update to be provided later in the year.

ACTION: Director of Resources to provide an update on actions coming out of the People Survey results in June.

2. Committee Chairs' updates

- 2.1. Members received an update from the Risk Committee Chair which covered the discussions between the Chair and the Chief Risk officer since the last Risk Committee meeting.

3. Business Performance Update

- 3.1. The Chief Risk Officer provided an update on risk management. The Board welcomed [REDACTED] to the meeting to discuss the Private Reinsurance-

tranche for Qatar exposure. The meeting noted that the reinsurance was on track for completion by mid-March. Members discussed the need to build relationships with reinsurers and other liquidity providers.

3.2. ██████████ informed the Board of the valuation consequences of production of the A380 ceasing from 2021.

3.3. The Director of Business Group updated the meeting on the deal pipeline, noting the projects which were unlikely to be completed prior to year-end. Members were informed that expressions of interest would be worked up into a formal forecast for next year's business and would be brought to the Board in April/May along with the list of possible deals in the pipeline.

ACTION: Director of Business Group to provide a forecast of 2019-20 deals at the Board meeting in April/May.

3.4. The Chief Finance and Operating Officer informed the meeting of the latest position with claims and recoveries. The Board heard that there had been one claim paid to date and that recoveries were in line with expectations. It was noted that there were no concerns on finances and that the Annual Report and Accounts process was progressing nicely.

4. Marketing and communications – addressable market

4.1. ██████████ and Richard Simon-Lewis presented a paper on UKEF's addressable market which the Board had requested at the Board Strategy Day in October 2018.

4.2. The Board welcomed the report and commended the team for their paper. The meeting discussed the next steps and whether it was possible to drill down into specific sectors. It was agreed that Shalini Khemka and the Chair would meet with the Marketing team to discuss further.

ACTION: Marketing team to meet with Chair and Shalini Khemka to discuss the paper in more detail.

5. UKEF Transformation Programme Report

5.1. Patrick Ellis introduced the Transformation Programme Report. Members noted that the information provided in the report and were given an update on the workstreams which had a red RAG rating. The meeting was informed that the overall RAG rating was amber, which was due to resourcing constraints. As a result of these constraints, the Transformation Team have underspent. It was noted that the gap between projected spend and actual spend would be closed in the next 12 months through more effective planning.

Digital Trade Finance Service

5.2. Arwen Robertson and [REDACTED] introduced their deep-dive on the Digital Trade Finance Service. This covered the reason for the project and high-level benefits, the team, what had been done to date, the project's next steps; and the project risks.

5.3. The meeting heard that there was a saving of £2,139 for each automatic deal which has led to a cumulative saving of over £400,000. It was noted that a rationalisation of eligibility criteria was taking place which would encourage more customers to use the service. The meeting discussed ways in which banks could be encouraged to promote further. Members agreed that a lot of progress had been made and that there was potential to roll out to challenger banks in the future.

6. Operating plan

6.1. The meeting were given an update on the Operating Plan by Cameron Fox. It was noted that the 2019-20 plan is the third (and final) in the current business planning cycle which covered 2017-20. The meeting heard that lessons from last year's process had been applied to the current operational planning cycle and plan.

6.2. Members were informed that comments from Board members and UKGI would be collated and incorporated into the draft, and shared with UKGI for their final review, before it being sent to HM Treasury for their approval.

ACTION: Chief Finance and Operations Officer to respond to Board member comments and incorporate into draft as necessary.

6.3. The Board were told that in line with this year, the project team were conducting a lessons learned report upon completion.

7. Centre for the Protection of National Infrastructure (CPNI) presentation

7.1. [REDACTED] from CPNI gave the Board a focused briefing to explain the threats and government department vulnerabilities in physical, personnel, infrastructure and information assurance (cyber). The meeting noted the possible threats and discussed the threat to government business and what could be done to reduce it and its impact. The Board agreed to complete a survey and for the results to be analysed and presented back to a meeting later in the year.

ACTION: Secretariat to distribute surveys and add a follow-up session to the forward agenda.

8. Any other business

8.1. There was no other business.