

MINUTES OF UK EXPORT FINANCE EXECUTIVE COMMITTEE MEETING

7 November 2022

Present:	Samir Parkash (Chair)	Attendees:	[REDACTED]
	Julia Beck		[REDACTED]
	Cameron Fox		[REDACTED]
	Shane Lynch		[REDACTED]
	Esi Eshun		[REDACTED]
			[REDACTED]

Apologies: Tim Reid
Richard Smith-Morgan

Secretary:
[REDACTED]

1. DIT, HMT, xGovt and General updates

- 1.1 The minutes of the 24th October meeting were reviewed and approved, subject to some minor changes. It was noted that the minutes for the 13 and 28 September, 3 and 31 October would be considered at the next meeting.
- 1.2 The interim CEO gave an overview of meetings with the Secretary of State (SoS), junior ministers and DIT Special Political Advisers (SpAds).
- 1.3 Members heard about a number of teach-ins underway within the department and across government; and the progress on the appointment of a new minister for exports. It was also heard that approval for UKEFs own commercial and procurement function had been given. The meeting noted that recruitment was underway via the government commercial organisation.
- 1.4 The committee discussed the US led 'critical minerals' partnership and the UK's new critical minerals strategy, intended to improve the resilience of supply chains for critical minerals.
- 1.5 Members noted that would be invited to the Board and Board sub-committee meetings.

2 Q2 Forecast 2022-23 Operating costs

- 2.1 [REDACTED], Head of Financial Planning presented the 2022-23 forecast outturn for DEL Operating and Capital costs, in addition to an early forecast for 2023-24.

2.2 It was explained that £1.3m of RDEL underspend to the contingency pot had largely been drawn down, and utilised on departmental areas such as HR, Change & Transformation, with a proposal expected from Legal & Compliance. As a result of Q2 reforecast, full year RDEL underspend of £1.9m had been identified as available. It was agreed that the Committee would consider the most appropriate way to allocate this underspend.

2.3 Members discussed the risks and pressures to the 2022-23 and 2023-24 budget which included UKEF structural changes, IT expenditure, an increase in legal costs, reviews of Government Departments budgets and continued inflationary pressures.

2.4 The committee noted and approved the paper.

ACTION: Head of Financial planning to return before end of calendar year to update the committee on the outturn against budget.

3 Decision making on Reputational Risk

3.1 The Head of Policy, [REDACTED], presented this paper which provided separate proposals relating to decision making on issues where reputational risk may be a critical factor in a decision; and where it was a relevant factor among others. The meeting were informed that the paper primarily referred to transactions, however it would also apply across UKEF's activities.

3.2 The meeting noted that additional governance requirements had been introduced on the most material reputational risks which were escalated for decision in any new process, along with the rationale for why issues would be escalated at each stage.

3.3 Members discussed basing the decision to escalate reputational risk issues (including impact and likelihood of materialisation) on senior leaders' professional judgement.

3.4 The meeting agreed to the formalisation of the consideration of reputational risk by existing UKEF committees (i.e. ERiCC, SimCo and Change Board) and in other relevant decision making (PPAG; procurement; UKEF policy governance; underwriting approvals); and the formalisation of the existing process where high reputational risk issues were escalated to a group of relevant Directors or to EC for decision-making.

ACTION: Head of Policy to discuss adding reputational risk onto the horizon scanning template with the Strategic Projects team.

4 Review Outstanding Audit Actions

4.1 The Committee reviewed the status of outstanding management actions, which were agreed in the IAAD audit reports, and discussed relevant matters such as extensions to deadlines and overdue actions.

4.2 It was noted that there were 18 outstanding actions as of 30 September, of which 6 had been extended due to staff absences and a lack of response from action owners. Members were updated that there were 14 outstanding actions as of 7 November.

4.3 The committee approved the paper and agreed that action owners would send a note to the Interim CEO outlining updates to their respective actions.

ACTION: EC action owners to send a note to Interim CEO on their respective actions ahead of the Audit Committee meeting.

5 AOB: Lean Agents EC sponsorship

5.1 Members discussed EC sponsorship for the Lean Agents network. It was agreed that the Interim Chief Risk Officer would be the new sponsor.

5.2 The committee reviewed the agenda for the upcoming Board and Remuneration and Nomination Committee meetings.

5.3 Members discussed the Committee's forward agenda. It was agreed that the gender pay gap data would be broken down by grades and groups and would be discussed in more detail at the EC half-day in December.

ACTION: Shane Lynch to provide gender pay gap data to the Committee ahead of EC half-day in December.

5.4 The Committee discussed resourcing for the Annual Report and Accounts. It was noted that a paper was due to be presented to the Committee on the 28th November and agreed that [REDACTED] would be invited to discuss the issue at the Committee meeting on the 14th November.

ACTION: Secretariat to invite [REDACTED] to the 14th November meeting ahead of more substantive paper on the 28th November.

[REDACTED]

Strategy, Policy and Climate Change Division

MINUTES OF UK EXPORT FINANCE EXECUTIVE COMMITTEE MEETING

14 November 2022

Present: Samir Parkash (Chair) Attendees: [redacted]
Cameron Fox
Shane Lynch
Tim Reid
Esi Eshun

Apologies: Julia Beck
Richard Smith-Morgan

Secretary: [redacted]

2. Review of minutes & actions, DIT, HMT and General updates

5.5 The minutes of the 13th and 28th September; 3rd and 31st October meeting were noted and members agreed to provide any comments by written procedure. Members also discussed the actions log and had a detailed review of the EC ways of working.

ACTION: EC members to email any comments on the outstanding minutes.

5.6 Members discussed the appointment of the new Minister for Exports and topics for discussion at the Chair's introductory meeting with him later in the week.

5.7 Members heard an update on the DIT Directors meeting. Topics discussed included the launch of the business planning process, a discussion on the Public & Commercial Services Union strike ballot results, contingency planning and improvements to the DIT events programme.

5.8 The meeting noted that the request for exemptions related to using the APM framework had been submitted to Cabinet Office ministers

6 Performance Management (PM)

6.1 [redacted], returned to EC to present revised proposed improvements to the 2023-24 performance management process for non-SCS staff. This was subsequent to initial options presented at the 3rd October meeting. EC had asked for further thought on talent management, performance reviews, and training.

6.2 The drivers for change were a disparity of ratings within the same grade and a need for simplification and clarification of the rating matrix.

6.3 Members discussed the four proposed options. The committee approved the proposed approach to adopt the SCS PM framework with amendments to better suit the non-SCS needs.

ACTION: HR to provide an update on the new PM process and approved recommendations in the new calendar year.

7 Planning for the next Annual Reports and Accounts (ARA)

- 7.1 [redacted], presented this item on the plans for the 2022-23 ARA [redacted] will be assuming responsible for the project, with oversight from Marketing and Communications and the Chief Finance and Operations Officer as the Senior Responsible Officer. Plans to onboard a Grade 6 and 7 from the Digital, Data and Technology function to improve support was underway.
- 7.2 A new design agency had been retained and pre-briefings had started.
- 7.3 The committee noted the impact of a change in the Audit Committee Chair in the spring, given the Chair's role in the ARA process and responsibility for the AC chairs report members discussed how to smooth the transition.

ACTION: Members to suggest to PO Grade 6s to be ARA representatives.

8 AOB: Ethiopia Airbus

- 8.1 [redacted], apprised the committee of the current status of the Ethiopia Airlines transaction that was due to close at the end of the week. Germany had raised concerns about media reports that the airline had been used to ferry troops to the front lines of the civil war.
- 8.2 Further due diligence had culminated in a call with the airline CEO who had confirmed that its aircraft had been chartered by the Government of Ethiopia on occasion to carry unarmed troops, but that at all times, it was in compliance with international aviation rules and its insurances. No troops had been ferried to active conflict areas.
- 8.3 The committee noted the update and in particular the ceasefire last week that had been agreed between the Government of Ethiopia and the rebels. It was agreed to proceed on basis that France and Germany were also content to proceed.
- 8.4 The Director of Resources updated on the introduction of recording flexitime on iTrent rather than Excel. A large number of staff were yet to transition.

ACTION: Members to request staff to record flexitime on iTrent.

[redacted]

Strategy, Policy and Climate Change Division

MINUTES OF UK EXPORT FINANCE EXECUTIVE COMMITTEE MEETING

21 November 2022

Present:	Samir Parkash (Chair)	Attendees:	[REDACTED]
	Cameron Fox		[REDACTED]
	Shane Lynch		[REDACTED]
	Richard Smith-Morgan		[REDACTED]
	Esi Eshun		[REDACTED]

Apologies: Julia Beck
Tim Reid

Secretary: [REDACTED]

3. Review of minutes & actions log / DIT, HMT and General updates

8.5 The minutes of the 7th of November meeting were reviewed and approved.

8.6 Members confirmed both the 'ways of working' and action log reviews will take place on 28th November at the next Executive Committee meeting.

8.7 Members heard about the CEO's meetings with the Secretary of State (SoS).

8.8 An update was provided on the DIT Directors' call regarding the SoS' visit to America and HMT developments.

8.9 Members discussed the previous week's Board and Risk Committee meetings.

8.10 Committee members shared updates from their directorates, including on the progress of the indicative estimate with HMT, project finance recruitment and the Mozambique LNG Judicial Review. The Director of Legal and Compliance confirmed that a detailed update on the Judicial Review would be provided at the following EC meeting.

8.11 The Chair noted the success of the fifth UK Trade and Export Finance forum which took place on 17 November.

Action: Director of Business Group to arrange for team member to give one highlight per week to the EC member who attends the DIT Directors' meeting.

9 Financial Crime Due Diligence (FCDD) Underspend Proposal

9.1 Members discussed the paper which sought approval to use the departmental underspend to procure an additional financial crime screening platform and to engage up to two experienced secondees to accelerate the growth in the maturity level of the FCDD function.

9.2 The meeting discussed how the platform would most likely be accounted for in next year's budget.

9.3 EC members sought clarification on whether the proposal related to secondments, the final costs, and the deliverables. The meeting also noted the importance of agreement where resource from other parts of the business might be impacted by this work.

9.4 The Committee approved the request for use of part of the underspend.

10 Recruitment of contractor for Export Development Guarantee (EDG) product delivery

10.1 Members discussed the paper which sought approval to recruit a contractor to support the delivery of the growing volume of EDG requests.

10.2 Members discussed the need for spending on the EDG product delivery and noted UKEF's need for bringing in a contractor with relevant experience.

10.3 The meeting discussed the various resource demands of using in-house resource for the role and agreed that the capacity to utilise UKEF's current resource for similar roles would be likely to increase going forward.

10.4 The Committee approved the recruitment of the contractor.

11 Back brief on COP27

11.1 The Head of Climate Change presented a brief on the activities at this year's COP27.

11.2 The Committee heard an update on the COP27 objectives and deliverables in relation to policy, commercial, and reputation and communications. The members heard how UKEF raised its profile amongst ECAs and showed its support for clean energy growth.

11.3 Members discussed the benefits of the presence of UKEF's contingent at the conference. The meeting noted UKEF's ability to engage with its governmental counterparts and international peers at COP as well as the significant challenges to be overcome in meeting the 1.5 degree climate target.

ACTION: Climate Change team to deliver the COP 27 presentation to SLT and the Board in January

12 AOB

12.1 The Chair requested that secretariat arrange a meeting for EC to discuss the EDG product in advance of the forthcoming Board Away Day.

12.2 In preparation for the discussion of the Ways of Working on 28 November, the Chair asked EC members to consider any spending efficiencies in their directorates, particularly in respect of travel, and any improvements that lead to a more inclusive environment.

[REDACTED]

Strategy, Policy, and Climate Change Division

MINUTES OF UK EXPORT FINANCE EXECUTIVE COMMITTEE MEETING

28 November 2022

Present:	Samir Parkash (Chair)	Attendees:	[REDACTED]
	Cameron Fox		[REDACTED]
	Shane Lynch		[REDACTED]
	Richard Smith-Morgan		[REDACTED]
	Esi Eshun		[REDACTED]
	Julia Beck		[REDACTED]

Apologies: Tim Reid (travelling)

Secretariat: [REDACTED]
[REDACTED]

4. DIT, HMT and General updates

12.3 The minutes of the 14th November meeting were reviewed and approved, subject to minor comments.

12.4 Members heard about discussions at the Quarterly Shareholders' Meeting (QSM) including on Ukraine and SMEs, the Chair's meeting with the Secretary of State and the DIT Directors' call.

12.5 Committee members shared updates from their directorates and discussed geopolitics and its potential effects on UK economic and critical mineral security, and trade dynamics.

12.6 Plans for the appointment and recruitment process of an interim and permanent Chair of the EGAC were awaiting Ministerial approval. Members discussed the agenda of upcoming Risk Committee and Board meetings.

13 EC Governance Update

13.1 [REDACTED], Head of Governance and Information Management, and [REDACTED], Head of SPoCC Office, reviewed changes to the running and governance of the Executive Committee. Members noted the improvements already made and discussed ways to make the Senior Leadership Team more effective in areas such as decision making, with the possibility of delegating some EC authorities to them.

13.2 The committee agreed that papers that are too long, not to standard, or received late should be sent back to authors and or their presentation delayed.

14 **Change Control for EXIPs**

14.1 [REDACTED], Head of Transformation and Change, outlined details of the EXIP modernisation project. Of the four workstreams, two had been completed and a third was underway.

14.2 The project aims to improve the customer journey, the ability to include marketable risk countries, and raises awareness of the product. The current delivery model was outdated and impacting the number of applications.

14.3 The committee approved the £390,000 of Change Board spend, bringing the total external spend approved to £1,274,420 (inclusive of discoveries and costs of elements that have been delivered).

15 **TCFD Update**

15.1 [REDACTED], Deputy Director of Climate Change and Sustainability, advised the committee that that the TCFD project was on track for transition to BAU delivery of its requirements.

15.2 [REDACTED] explained the key risks and issues that had been mitigated so UKEF remains on track to produce its third disclosure in March 2023. These centred around resourcing for data implementation and business analysis.

15.3 The meeting heard the importance of internal communications on TCFD. A 10@10 presentation had been delivered and climate change champions were being sought.

15.4 The committee acknowledged the progress made on the project.

16 **Efficiency and Savings**

16.1 Members discussed the Chancellor's Autumn statement which outlined the government's approach to public spending over the remainder of this Spending Review period and beyond. It heard that spending must focus on the government's top priorities and each department would need to identify efficiencies and savings.

16.2 The meeting discussed plans on working with HM Treasury's spend team to agree on the savings and efficiency proposals for 2023-24 and 2024-25.

16.3 The department would continue to operate within the current settlement, manage pressures from higher inflation and be ready to pivot towards new priorities.

16.4 The committee noted the date for the agreed Efficiency and Savings review. A further discussion would take place before the Christmas break.

17 **AOB**

17.1 Director of Resources gave an update on the AbilityNet training which discussed the subject of disability and inclusion in the workplace. The meeting heard that for the session to run again, it would need to be reproced for early next year.

17.2 The Head of Knowledge and Information Management (KIM) made a request for a temporary KIM contractor to be engaged to support UKEF's internal resources in improving records and knowledge management from December 2022 to March 2023.

17.3 It was explained that the Knowledge Management team faced a high turnover of staff resulting in a loss of information so the need for a Knowledge Management strategy was vital. The work for the KIM specialist would increase efficiencies, improve business resilience and support better customer service.

17.4 The committee approved the resource request to onboard the KIM specialist and commented that the paper was produced to very high standard.

[REDACTED]

Strategy, Policy and Climate Change Division