

Approved

Minute of UKEF Board meeting – 16 March 2023

Present:

Noel Harwerth (Chair)
Lawrence Weiss
Candida Morley
Tim Frost
[redacted]
Vanessa Havard-Williams
Jackie Keogh
Kimberley Wiehl
Andrew Mitchell
Tim Reid
Samir Parkash
Esi Eshun
Jayne Whymark
Julia Beck
Cameron Fox

Apologies:

None

Secretariat:

[redacted]

Attendees:

Shane Lynch, Dan Bowden, [redacted]

1. Introduction

1.1. The Chair welcomed Members and attendees to the meeting and checked whether Members had any interests to declare. There was one interest declared, with the Chair noting the mitigation. The Chair welcomed EGAC Members for the CEO update.

2. Draft Minutes and Actions Log of 15 February 2023 Meeting

1.2. Subject to an amendment related to the discussion on EDGs, the draft minutes were approved, and the actions log discussed.

3. CEO update

3.3. The CEO delivered his monthly update to the Board, which covered ongoing progress across UKEF's various functions. In particular, an update was given on the amendments to the OECD Arrangement and the impact that would have on

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UKEF. It was agreed that the International Team would discuss this further when they returned to the Board in April to discuss the UKEF international relations strategy.

4. DDaT Board Show and Tell

4.1. Dan Bowden, Chief Digital Officer, [redacted] and Shane Lynch, Director of Resources provided an introduction to this item. It was noted that at the Board in December, Members had asked for examples of the work going on within DDaT and this presentation was intended to cover that request.

4.2. The presentation highlighted the significant challenges facing UKEF and DDaT in areas such as data and security. The meeting welcomed how DDaT were addressing the challenges they faced, noting the current resource constraints including 48% of permanent roles being vacant.

4.3. [redacted]; all contributed to the presentation which focussed on:

- Data and Analytics Transformation;
- Technology Services, Extract, transform, load (ETL & API's);
- Digital Services: Digital Trade Finance service (DTFS) & Export Insurance Policy (EXIPs)

5. Impact Framework

5.1. The Chief Strategy and Impact Officer, Julia Beck, introduced this paper alongside [redacted]. The meeting noted that the Impact Framework was brought to the Board in April '22, and it was also discussed at the February meeting, where the Director of Business Group spoke about embedding impact into the department's next Business Plan.

5.2. Members were informed that following a discussion at EGAC and EC's endorsement of the approach and metrics for the impact framework in December, the Corporate Strategy & Impact team had been working with divisions across the department to start to develop a data acquisition strategy, plan for an internal launch of the impact framework, and inform UKEF's strategic approach to product development, origination, and reviewing transactions at ERiCC (among other areas).

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5.3. The Board discussed the metrics that would be used in the Impact Framework and it was agreed that a paper covering prioritisation would be brought to the May Board meeting.

5.4. The meeting discussed how the framework might be introduced to staff, and the cultural change required to embed such a framework.

6. Product Governance

6.1. [redacted] introduced a paper that set out the governance structures in place that support product development and product management at UKEF. The meeting were given a high level description of the governance arrangements for product development and product management in UKEF.

6.2. The meeting discussed the product lifecycle, and how tweaks or variations to products were considered and implemented. It was noted that and new products, or material changes to existing products would be provided to the Board before implementation. It was agreed that the first report to the Board on UKEF product development and performance would be shared in May 2023.

7. Business Performance updates

7.1. The interim Director of Business Group, Esi Eshun gave a presentation detailing the business performance and outlook for the medium term. The meeting heard that UKEF would be close to the £7.1bn target and that next year's Q1 numbers looked exceptional because of the work done this year.

7.2. The Chief Risk Officer, Samir Parkash commented that the macro view remained one of caution, with geopolitical risks high. Despite that, UKEF's credit portfolio was relatively stable in the non-sovereign space. The meeting noted that sovereign risks had been highlighted previously in Ghana, Sri Lanka, Zambia, Egypt and Turkey. Members discussed the stresses facing SMEs, noting that there hadn't been a large volume of claims made yet, but these could follow.

7.3. Recruitment and reorganisation in the Risk Management Group were discussed.

7.4. The meeting noted the forecast had increased substantially on account of the [redacted] transaction. The Board welcomed news that of the GEF transactions approved, all but one had been via straight through processing.

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7.5. Cameron Fox, the Chief Finance and Operating Officer updated the meeting on the monthly finance dashboard. The meeting noted the performance figures, the HMT Control totals, performance against financial objectives and the supplementary estimate.

7.6. The interim Head of Legal and Compliance provided an update on work ongoing with the Legal and Compliance Team. This included updates on the judicial review and the legal risks of bringing the procurement function in house.

7.7. The meeting discussed the assurance work around Ukraine and it was agreed that all specific risks that UKEF had identified would be provided to the Minister.

8. EGAC update

8.1. The interim Chair of the Export Guarantees Advisory Council, Vanessa Havard-Williams provided an update on the work done on EGAC since the last Board meeting, including noting the highlights of the February Council meeting.

9. Audit and Risk Committee Chairs' updates

9.1. Lawrence Weiss and Tim Frost provided a brief update on the Audit and Risk Committees.

10. Any other business

10.1. Noting that this would be Lawrence Weiss's last Board meeting, the Board thanked him for all his hard work since joining the Board in 2016 and wished him the best for the future.

[redacted]

Strategy, Policy and Climate Change Directorate