

Minute of UKEF Board meeting– 20 March 2024

Members

Robert Gillespie (Chair)
Tim Frost
Vanessa Havard-Williams
Niall Mackenzie
Charlotte Morgan
Candida Morley
Jackie Keogh
Kimberley Wiehl
Samir Parkash
Tim Reid
Cameron Fox

Apologies:

None

Secretariat:

[redacted]

Attendees:

Adam Harris
Carl Williamson
Jayne Whymark
Julia Beck
Shane Lynch

Observers:

[redacted]
[redacted]

For item 4: [redacted]
Item 6: [redacted]
Item 7: [redacted]

Attendees:

1. Introduction

- 1.1. The minutes of the 24 January meeting were approved and actions log discussed.
- 1.2. Two members reported a potential conflict of interest which the Chair noted.

2. CEO and EC update

- 2.1. The CEO delivered updates on key projects. He noted an increase in the complexity of major transactions compared to recent years, both in terms of structure and in terms of jurisdiction, bringing a level of resource demand to the

department that was beyond business as usual. Members requested updates on specific projects.

2.2. The meeting was informed of progress on internal UKEF projects, in particular the Financial Reporting Changes project and the Fintech project.

2.3. Members were given an update on the CEO's meeting with the Minister for Exports as well as other key meetings that had taken place since the last Board meeting such as hosting the Berne Union Anniversary meeting, UKEF's SCS conference supporting women in leadership, the Executive Committee away day in Hampshire, and the CEO and Secretary of State's attendance at the Small and Medium Enterprises Connect Event, where the Prime Minister had voiced his strong support of UKEF.

3. Outturn update and finance dashboard

3.1. Cameron Fox, Chief Financial and Operating Officer, delivered an oral update on UKEF's likely outturn as the year-end approached. Members noted that an operating loss for the year may be reported primarily due to account 3, however much would depend on the outcome of provisioning. The Board heard that the DBT Select Committee and the NAO had been notified.

3.2. Adam Harris, Co-Head of Business group, gave the Board an update on major transactions and whether they were due to fall into the present or next financial year.

4. UKEF Operational Plan

4.1. [redacted] shared UKEF's 2024 Operational Plan, along with a professionally designed copy of the 2024 Business Plan, the content of which the Board had previously endorsed. It was noted that HM Treasury were yet to approve the Business Plan.

4.2. The meeting heard that the next steps were to brief the Minister for Exports, followed by the Business Plan's external launch with the Minister on 30th April. They heard that the Business Plan was expected to have wide appeal across political parties, but that its delivery was contingent on the Spending Review.

4.3. The Board discussed the Operational Plan. It was noted that the plan as written had values in square brackets for the estimates for UK content, non-contract

specific financing, clean growth & development for 2024/25. Members were informed that these figures would be drawn from the central business forecasting exercise led by Business Group and the Op Plan would be updated.

4.4. The meeting discussed risk management and operational resilience. It was noted that the enterprise risk annex in the Op Plan would set out detail of compliance with key risk metrics (risk appetite framework, HMT financial objectives, minimising loss etc) and in many cases these were tracked elsewhere through products such as the MMR, so on a quarterly basis, the Op Plan reports would signpost to those reports.

4.5. It was agreed that the final plan would be shared with the Board before publishing internally.

5. [redacted]

5.1. [redacted]

5.2. [redacted]

6. UKEF Commercial Function

6.1. [redacted], delivered a walk-through of UKEF's in-house commercial function which went live last summer, showcasing the team's achievements.

6.2. Members noted the transition from DBT had been fully completed. The Board commented that the upcoming year would be busy for the commercial team, with about 50 awards and renewals, and were assured that, while it would be challenging, the team felt adequately resourced to manage this workload.

6.3. Members commended the commercial team for the great job they were doing.

7. Market Response to EDG 2.0

7.1. [redacted], presented on the changing demand for the Export Development Guarantee following its review, and the ramifications for UKEF.

7.2. The Board discussed how the product had evolved and the legal challenges that presented, and noted that the complexity of deals had increased in part because of EDGs.

8. EGAC Update

8.1. Vanessa Havard-Williams, Chair of Export Guarantees Advisory Committee, updated the Board on what was due to be discussed at EGAC the following week.

9. Committee Update

9.1. Tim Frost, Chair of the Risk Committee, updated members on what had been discussed at the meeting on 14 February, including reviews of situations in the Middle East and Africa and landing the enterprise risk framework.

9.2. Charlotte Morgan, Chair of the Audit Committee, updated members on what had been discussed at the meeting on 14 February, including the preparatory discussions for the Annual Report and Accounts.

10. Any Other Business

10.1. Samir Parkash, Chief Risk Officer, updated the committee on geopolitical risk issues relating to various projects.

[redacted]

Strategy, Sustainability and Impact Group