

Minute of UKEF Board meeting – 17 July 2024

Members

Robert Gillespie (Chair)
Tim Frost
Vanessa Havard-Williams
Charlotte Morgan
Jackie Keogh
Kimberley Wiehl
Tim Reid
Cameron Fox
Jo Crellin (DBT)

Apologies:

Samir Parkash

Secretariat:

[redacted]

Attendees:

[redacted]
Adam Harris
Carl Williamson
Jayne Whymark
Julia Beck

Observers:

[redacted]
Roshana Arasaratnam
[redacted] (UKGI)

[redacted] (item 3); [redacted] (Item 4); [redacted] (item 5)

1. Introduction

1.1. The minutes of the 29 May meeting were approved, and actions log discussed. There were no potential conflicts raised.

2. CEO and EC update

2.1. The CEO discussed his engagement with the new administration and the various subjects that have put to the new Secretary of State which include Ukraine and Poland. The meeting discussed government hubs.

2.2. The CEO provided a brief update on progress with the deal pipeline and recently completed deals.

2.3. The meeting were given an update on key transformation projects, noting that the Financial Reporting Changes project was discussed at the recent Audit Committee meeting.

2.4. The CEO updated the Board on the net zero alliance of credit agencies, and the meeting noted that the CEO was the first Chair of this group.

2.5. Members and Executive Committee Members held an in-camera session at this point.

3. Abbreviated Chief Risk Officer Update

3.1. [redacted] presented the abbreviated monthly Risk Management Group report which provided a summary of geopolitical and macroeconomic issues; scenario analysis and stress testing; new business pipelines; post issue management and restructurings.

3.2. The meeting were informed that interest rates were coming down, but they were not expected to get to the low levels they were 2-3 years ago. Members noted that a number of EDGs had been cancelled and that there had been an uptick in GEF claims.

4. Post-election actions

4.1. [redacted] presented this item which apprised the Board of the priorities of the new Government and how these missions may impact UKEF.

4.2. Members were informed of the ministerial appointments and their respective portfolios

5. Product performance

5.1. [redacted] from the Product and Policy Division (PPD) presented this item which informed the Board of developments relating to UKEF's product suite. It was noted that PPD produced an annual report providing oversight of key activities and summarising key metrics related to UK Export Finance's (UKEF) suite of products.

5.2. Members discussed the product range, noting which ones were most pertinent for

SMEs, and considered how the products could become more scalable. The meeting asked whether it was possible to provide a performance measure that indicated how much of a customer's business was related to exports. It was agreed that PPD would consider and report back at the next iteration of this report.

5.3. The meeting discussed the possibility of retirement and consolidation of products. It was noted that while this was considered, there were not incidents of product overlap that would necessitate consolidation. The Board heard that future focus of PPD was on transition finance.

5.4. The Board also discussed the demand for EDGs and heard that the demand had tapered off following covid; and that mis-selling of products was not an issue as it was generally the partner banks that brought engagement with a particular product so UKEF is not directly engaging with the customer.

6. Origination and Client Coverage update

6.1. [redacted] introduced this paper which covered three key topics:

- Origination's work over the past year;
- a 'deep dive' into two regional strategy updates for FY 2024/25; and
- Origination's contribution to the Business Plan, taking each of the five objectives in turn and discussing OCC's role in driving the international team to deliver on these aims.

6.2. The meeting were provided with pipeline highlights, major deals that began life in Origination and had since been successfully underwritten and the strategic levers that Origination deployed to enhance UKEF's customer relationships.

6.3. Members were provided with a snapshot of UKEF's annual global strategy updates. These strategy updates gave the Board a view of the in-depth market knowledge and strategic insights within Origination, and also demonstrated how these were deployed in order to build UKEF's new business pipeline.

6.4. Members thanked the Origination team for their excellent presentation and asked that when they return to the Board they detail some of the challenges they face.

7. EGAC Update

7.1. The Chair of EGAC, Vanessa Havard-Williams discussed the last EGAC meeting.
[redacted]

8. Committee Update

8.1. The Chair of the Audit Committee, Charlotte Morgan, updated the Board on the recent Audit Committee meeting, noting that an additional meeting would be required before the Committee would be in a position to recommend the Accounting Officer sign the Annual Report and Accounts.

8.2. The Chair of the Risk Committee, Tim Frost, updated the Board on the recent Risk Committee meeting, noting additional content provided on DDAT.

9. Any Other Business

9.1. There was no other business.