

## MINUTE OF EXECUTIVE COMMITTEE MEETING – 03/09/14

Present: David Godfrey (Chair)    Attending: Paul Croucher    (by phone)  
David Havelock    Olga Crosse  
Steve Dodgson    Michelle Ford    Items 2 - 3  
Cameron Fox    Philip Galliver    Item 4  
Stephen Lawrenson

Apologies: Lucy Wylde

Secretary: Laurence Lily

### **1 Draft minute of 19 August meeting and matters arising**

1.1 The draft minutes were approved. EC noted the actions from previous meetings, which had all been addressed.

### **2 Performance review**

2.1 EC noted the timetable for the Q3 reforecast. It noted that discussions with HMT on the level of premium offset for 2015-16 would begin in October. EC discussed staff resources and agreed that roles that remained vacant for more than a quarter should be subject to review.

2.2 EC noted that it would consider the planned process for the refresh of the business and operating plans at its meeting on the 16 September.

2.3 EC discussed business issued and business in the pipeline. It noted the expectations of stakeholders, which were sometimes difficult to reconcile with the high level of uncertainty around demand for UKEF support.

2.4 EC agreed that further analysis of pre-issue cases was required e.g. on the volume of cases reaching different pre-issue stages, and the reasons why cases did not progress to the next stage. The objectives of this analysis should be to inform when and why cases fell away, and to provide comparable reporting of this information across the product range. It also asked that work continue on forecasting methods, so that the approach is as consistent as possible for all cases and for all purposes.

**Action: Michelle Ford / Cameron Fox / Paul Croucher**

- 2.5 EC noted work to review and improve TFIS processes. EC agreed that no work should be carried out that would preclude or impede a future move to greater bank delegation.

**3 Dashboard redesign**

- 3.1 EC noted work to develop a new two-page reporting dashboard. EC requested that Non-Executive Directors be engaged in its development, and that a first draft be prepared for MB in November.

**4 Change Board**

- 4.1 EC received an update on decisions and actions taken by the Change Board at its meeting on 27 August.

**5 Operational risk**

- 5.1 EC received an update on the implementation of new operational risk policy and procedures, intended to develop a more robust “second line of defence” against operational errors and loss. EC welcomed the work and asked for an update to be provided to AC in October.

**6 HR Update**

- 6.1 EC noted an update on HR actions.

**7 STARS**

- 7.1 EC met in camera and agreed the August STARS awards.

**Laurence Lily**

**Chief Executive’s Office**



### **3 Business Planning**

3.1 EC agreed to discuss this item at its next meeting.

### **4 Parliamentary / information requests update**

4.1 EC welcomed a new quarterly update on handling information requests, parliamentary questions and ministerial letters.

### **5 Business Continuity**

5.1 EC agreed a new business continuity strategy, noting that, in the event of an incident, staff would now be issued with laptops rather than travel to Cardiff. EC noted the challenge of contacting staff in the event of an incident. It suggested issuing staff with a laminated card recording the required contact numbers in order to assist the process.

5.2 EC confirmed the current membership of the incident management team and noted further planned business continuity work, including updating the incident management plan to take account of the new MCD.

5.3 EC invited the business continuity manager to liaise with the direct lending team in due course.

### **6 TFIS process review**

6.1 EC received an update on the ongoing restructure of TFIS towards its target operating model. EC discussed the potential introduction of Bank delegation arrangements. It recommended that TFIS seek GCO advice on Bank delegation, and examine in more detail the possibility of employing a consultancy firm to carry out the work.

6.2 EC discussed the potential impact on staff resource requirements, noting that some future flexibility on TFIS staff resource would be an advantage. EC noted that TFIS would not be able to fill all its HEO roles from the recent recruitment campaign. It agreed that TFIS could fill some or all of these roles through fixed term or contractor appointments. EC noted that this would help

provide TFIS with the staff resource it currently required, but would also mean more future flexibility on headcount in the event of a successful introduction of bank delegation.

**6.3 Any other business.**

6.4 EC asked CXO to provide advice to staff on how to respond to questions on UKEF support in the context of the Scottish Referendum.

**Action: Pat Cauthery**

**Laurence Lily**

**Chief Executive's Office**



contribution to government export targets. It also noted recent engagement with BExA. EC noted thinking within TFIS on how best to package potential support for first-time exporters.

- 2.5 EC asked CXO to clarify the Minister's final views on whether the UK should seek an exemption to EU short-term export-credit insurance rules for UK SMEs.

**Action: Pat Cauthery**

- 2.6 EC considered the performance of BD1 and 2, and noted plans to consider the resource structure for handling claims and recoveries. EC encouraged continued succession planning, particularly for underwriting manager roles. EC asked that specific dates be provided against all the actions included in the forward plan review.

- 2.7 EC considered the performance of TFIS and noted its work to introduce a bank toolkit for its trade finance products and a short-format request for a cover indication for an EXIP.

- 2.8 EC noted performance updates from Finance Group, GCO, COO and CXO, noting in particular the current resource pressure on work to administer Direct Lending. EC also noted progress on UKEF and UKTI governance arrangements.

**3 Business Planning**

- 3.1 EC noted a review of UKEF's business planning process prepared by the PMO. It agreed resource would need to be identified for business planning and asked CXO to set up a meeting to consider further.

**Action: Pat Cauthery**

- 3.2 EC suggested, as a first step, the distribution of a simple planning timetable making it clear what was to be done, and by whom.

**4 Product development**

- 4.1 EC agreed to the introduction of a process for new product development. EC agreed that the process was the responsibility of SMT, with the PMU supporting the process documentation. EC agreed that the process should be applied to the development of all new products, but would only be applied to changes to existing products when there were fundamental changes envisaged.
- 4.2 EC discussed the responsibility for product management in the department. It asked that SMT have a standing agenda item on product development needs, with the heads of business divisions providing an update to SMT members on market demand and the suitability of the existing product range.

**Action: Stephen Lawrenson**

## **5 Change Board update**

- 5.1 EC noted this update, and a separate paper to EC on Direct Lending project costs.

## **6 Any other business**

- 6.1 EC agreed UKEF should seek to recruit a single fast streamer, to start in October 2015.

## **7 STARs awards**

- 7.1 EC met in camera to agree STARs awards and to consider the pay remit.

**Laurence Lily**  
**Chief Executive's Office**