

MINUTE OF EXECUTIVE COMMITTEE MEETING – 03/02/15

Present:	David Godfrey (Chair)	Attending:	Paul Croucher	
			Gordon Welsh	Items 1-2
	Cameron Fox		Paul Radford	Item 3
	David Havelock		Richard Wade	Item 3
	Lucy Wylde		Andy Blacksell	Item 4
			Pat Cauthery	Item 4
Apologies:	Steve Dodgson		Carol Gradwell	Item 5
			Sanjay Thakker	Item 5
Secretary:	Laurence Lily		David Spencer	Item 6
			Kate Bittlestone	Item 6
			Trudy Warrender	Item 7
			Lawrence Nichols	Item 7
			Matt Vale	Item 8

1 Draft minute of 20 January and matters arising

- 1.1 The draft minutes were approved with minor changes. EC noted that all actions since the previous meeting had been closed or were in hand.
- 1.2 EC discussed arrangements for officials from UKTI and UKEF to meet prior to the Trade and Investment Board meeting on 16 February.

2 Forward Plan Review

- 2.1 EC noted business figures at the end of Q3 and the remaining business forecast for Q4. EC discussed the Cole Review, which had been asked by the Labour Party to examine government support for exports. EC noted that the review panel had not asked UKEF officials to participate or to provide information, and that the review might make some preliminary findings public before the general election.
- 2.2 EC noted that staff accessing the IT network when travelling were reporting continued difficulties and that a project was underway to introduce new mobile devices. It asked that the Head of IT address this issue in his report to MB on IT strategy scheduled for 5 March.

Action: Secretariat

- 2.3 EC noted that some of the information provided to EC as part of the forward plan review was incomplete or missing budget information. EC requested that fully completed reports be provided in future, and that the group directors, or in the

absence of the group director, the relevant divisional heads, always attend to answer any questions from EC on the information reported.

Action: PMO and Secretariat

3 Concessional Export Credit Facility

- 3.1 EC discussed the potential for UKEF to work with DFID and HM Treasury to develop an untied concessional export credit facility. EC discussed the potential merits of such a scheme, particularly its potential to enable UK exporters to compete for business financed by concessional lending in low-income countries, alongside the possible disadvantages, such as the potential for the scheme to be expensive without resulting in any significant economic benefit for the UK.
- 3.2 EC noted that a meeting between senior officials from UKEF, DFID and HMT was being arranged to discuss this further. EC invited the Financial Markets Unit to speak to HM Treasury before this senior officials meeting explaining UKEF's interest, but also highlighting its concerns. These concerns should include the potential demand on resources, the need to correlate the market-orientated objectives of UKEF with the development objectives of DFID, and the importance of clearly documenting defined responsibilities and accountabilities across the departments involved.

Action: Paul Radford

4 Legislative change and New Powers Project

- 4.1 Andy Blacksell provided EC with an update on progress of the SBEE Bill through Parliament and the possibility of the government offering non-legislative concessions in response to proposed amendments to the UKEF clauses. EC noted advice had gone to Ministers on the possible concessions.
- 4.2 EC discussed the development of policies and products under the New Powers project. EC asked for further detail on how the supply chain product would work and its potential benefits.

Action: Pat Cauthery

5 Compliance function

- 5.1 EC agreed that work should continue to implement a compliance function within UKEF. EC requested clarity on the target operating model and advised that the role of the compliance function should be clearly communicated to staff when it is introduced, particularly the differences between the compliance role, the business manager role, the operational risk manager role and the internal auditor role.
- 5.2 EC advised IAAD to research and reference good practice in other organisations such as HMT, Debt Management Office and US Ex-Im Bank.

6 PQ, FOI and Ministerial Letters

- 6.1 EC noted UKEF's performance in responding to PQs, information requests and Ministerial correspondence.

7 Corporate customer contact database

- 7.1 EC discussed the business case for extending the existing customer contact database used within TFIS to be used by other customer-facing divisions. EC agreed that UKEF urgently required an improved capability to handle customer contact data on a corporate-wide basis, but questioned the approach proposed in the basis of:
- its value for money (e.g. due to the degree of business analysis resource budgeted for) and the lack of a total estimated cost across all phases;
 - the proposed phases of implementation, with BD1 and 2 implementation following that of BD4 and MCD; and
 - the lack of consideration of the security risks and data protection requirements by the Security Officer.
- 7.2 EC invited the project to return to EC with a revised business case and a demonstration of the system.

Action: Trudy Warrender / Paul Croucher

- 7.3 Separately to the business case, EC requested that UKEF's registration as a data controller handling personal data is checked with the ICO, and updated if necessary.

Action: Lucy Wylde / Pat Cauthery

8 Security

- 8.1 EC noted an update on security risk and agreed the assessment of UKEF's risk appetite.

Laurence Lily

Chief Executive's Office

MINUTE OF EXECUTIVE COMMITTEE MEETING – 10/02/15

Present: David Godfrey (Chair) Attending: Paul Croucher
Steve Dodgson Carol Gradwell
Cameron Fox Rachael Waters
David Havelock
Lucy Wylde

Secretary: Laurence Lily

1 Policy and procedure for seeking tax assurance for contingent labour

- 1.1 EC reviewed the implementation by UKEF of the policy to seek tax assurance for contingent labour, which was required of all bodies covered by *Managing Public Money* following the May 2012 review of the tax arrangements of public sector appointees by the Chief Secretary to the Treasury (CST).
- 1.2 EC agreed a proposed UKEF statement of its policy and procedure, which would be used for internal reference. EC noted that UKEF's statement aligned with the recommendations of the CST's review and the *Procurement policy note 07/12: tax arrangements of public appointees* issued by the Efficiency and Reform Group of the Cabinet Office. EC noted that an internal audit report was due on UKEF's implementation of the underlying policy. EC reviewed the implementation of the underlying policy to date, noting that some work remained to ensure that the appropriate clauses were included in contracts to allow UKEF to seek the necessary tax assurances from off-payroll workers.
- 1.3 EC noted that the policy as applied by UKEF envisaged that the majority of UKEF's contingent labour would be engaged through Crown Commercial Service frameworks, and that this would help ensure that the relevant clauses would be included in contract documentation. EC confirmed that UKEF's policy acknowledged that there would be occasions when it would represent better value for money for UKEF to procure specialist resource outside these frameworks, and that on these occasions, UKEF should add the relevant clauses into the contracts.
- 1.4 EC agreed that this provision was important, as the nature of UKEF's work meant that it often required specialist skills and experience of a kind highly

valued in the financial services sector, and that UKEF often faced considerable competition for these services from the private sector. EC noted the example of its Financial Markets Unit (FMU), which had benefited enormously from the engagement of contingent labour that would almost certainly have been impossible to access at an equivalent cost through a CCS framework.

- 1.5 EC noted that the CST's review required departments to exercise the right to seek assurance in a cost effective manner and according to the risk presented, and to strike the right balance in order to avoid the imposition of significant administrative burdens on small businesses or the department. EC noted that the underlying policy did not seek to define how this balance should be struck in practice, but agreed that it should be applied within UKEF in a way that was mindful of those requirements. For example, EC noted that while UKEF's general policy was to seek assurances from workers after six months of engagement with UKEF, there might be exceptions to this - for example where the length of the engagement was only marginally longer than 6 months and the perceived risk was low.
- 1.6 EC advised that it would be useful, perhaps as an accompaniment to the policy, to provide a glossary of terms used to describe workers engaged by UKEF, e.g. terms such as "interims", "temporary staff", "specialist contractors", "secondees", "consultants" etc. EC also asked that the policy specifically clarify the expectations for secondees.

Action: Rachael Waters

EC noted that UKEF's 2013-14 Remuneration Report had overstated the number of off-payroll engagements at 31 March 2014. EC requested that HRD put controls in place to assure the accuracy of reporting for 2014-15.

Action: Rachael Waters

Laurence Lily
Chief Executive's Office

MINUTE OF EXECUTIVE COMMITTEE MEETING – 24/02/15

Present:	David Godfrey (Chair) Steve Dodgson Lucy Wylde	Attending:	Paul Croucher Frank Gough Lawrence Nichols Rupert James Lucy Meekums	Item 2 Item 3 Item 5 Item 5
Apologies:	Cameron Fox David Havelock			
Secretary:	Laurence Lily			

1 Draft minute of 3 and 10 February and matters arising

- 1.1 The draft minutes were approved subject to minor changes. EC noted that all actions since the previous meeting had been closed or were in hand. EC asked CXO to provide it with an update on the New Powers Programme, which was due to be considered by MB in April.

Action: Secretariat to arrange

2 International Strategy

- 2.1 EC reviewed and agreed UKEF's position to take within EC and OECD discussions, including in relation to support for coal-fired power stations, interest-rate reform, premium rates, the International Working Group and the Aircraft Sector Understanding.

3 Information Technology

- 3.1 EC discussed the strategic direction for UKEF information technology, including the completion of IT resilience work, the development of customer-facing online services, improved process support and IT requirements for management information.
- 3.2 EC agreed that an update for MB should provide a summary of the context and overall vision for UKEF IT, and the potential for efficiencies that are determining the strategic direction. It should also provide more detailed timings on planned work.

Action: Lawrence Nichols to prepare the update for MB

- 3.3 EC requested that AC are also provided an update, with a focus on IT risks and resilience, disaster recovery and business continuity, and recovery time objectives.

Action: Lawrence Nichols to prepare the update for AC

4 MCD media manager

- 4.1 EC agreed the recommendation to recruit for this role.

5 Staff survey and performance objectives

- 5.1 EC discussed the staff survey responses and proposed performance objectives at length. It agreed that:
- 5.1.1 a summary of the written responses should be published for staff;
 - 5.1.2 it would undertake an externally supported review of the executive team's leadership, which would examine behaviours and effectiveness;
 - 5.1.3 work should continue to develop leadership and development tools for staff and that more effort should be made to develop talent schemes and secondment opportunities, noting that progress to date had been difficult;
 - 5.1.4 the timetable for concluding performance management reviews should be extended by a month and that HRD should be run the timetable past SMT before publishing it to all staff;
 - 5.1.5 the Business Group Director and General Counsel would work together to sponsor engagement activities in UKEF; and
 - 5.1.6 HRD should review the mandatory learning schedule to seek to reduce the burden on staff and allow staff to prioritise their own learning schedule, and that this should be done before any additional mandatory learning is introduced.

Laurence Lily

Chief Executive's Office