



(HCC 832)

Minutes of a meeting of the Directors of Hybu Cig Cymru (HCC) held at 10.00am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Thursday 5 July 2018

- Present:** Kevin Roberts (Chair)
Gareth Wynn Davies, Huw Davies, John Davies, Helen Howells, Barrie Jones, Rachael Madeley Davies, Catherine Smith, Claire Williams and Ogwen Williams
- By Invitation:** Gary Haggaty (Welsh Government)
Kayleigh John (Welsh Government)
Helen Minnice-Smith (Welsh Government)
David Morris (Welsh Government)
Gareth Wilson (Welsh Government)
Alison Wright (Calland Wright Consulting)
- Executive in attendance:** Gwyn Howells (Chief Executive Officer - CEO)
Emily Davies (Item 6f)
Julie Davies-Jones (Secretariat)
Kirsten Hughes, Red Meat Executive (Items 6c and 9)
- Management team:** Rhys Llywelyn (Market Development Manager)
Bryan Regan (Corporate Services Manager)
John Richards (Industry Development and Relations Manager)
Owen Roberts (Communications Manager)

To receive a presentation on the Sustainable Brand Values Programme for Welsh Food and Drink – David Morris and Helen Minnice-Smith, Welsh Government

A verbal presentation was provided on the above.

HCC was working collaboratively with Welsh Government on this initiative along with other industry bodies to develop sustainability values to underpin “Brand Wales”, where production of Food and Drink in Wales would be recognized using environmental and wellbeing credentials. The Sustainable Brand Values scheme would look to build on existing good practice schemes currently in place. Work was ongoing with the development stage of looking at how producers and processors could engage with a long term vision of building competitive advantage for Welsh products using robust and authentic substantiates.

The next steps would be to engage with and gain buy in from industry. This should be achievable as the scheme was not about replacing brands but providing additional credentials to what already existed.

HCC would consider how the Sustainable Brand Values could be incorporated into the existing PGI architecture of Welsh Lamb and Welsh Beef.

From a Welsh Lamb and Welsh Beef perspective an additional dimension to the provenance messaging could be positive in terms of brand development.

The Board would be kept updated on developments.

1. **Welcome and Chair's Comments**

The Chair welcomed all to the meeting.

The Chair gave an update on the key events and meetings he had attended since the previous Board meeting:-

1 June 2018 HCC, Aberystwyth – The Chair met with the CEO for an update on HCC business and Board evaluations preparation.

4 June 2018 – the Chair met with David Peace, Chairman Hallmark Veterinary and Compliance Services. Discussion had taken place regarding the potential purchase by Hallmark of the Meat and Livestock Commercial Services (MLCSL) the commercial subsidiary of the Agriculture and Horticulture Development Board (AHDB) which offers carcass classification services to abattoirs in the UK.

6 June 2018 – The Chair and CEO attended the British Meat Processor Association (BMPA) annual conference.

7 June 2018 - Board update teleconference followed by the Chair and CEO attending the Welsh Government EU Exit Stakeholder Roundtable meeting.

26 June 2018 – The Chair undertook a Board evaluation followed by attending the British Veterinary Association (BVA) dinner.

The Chair opened a discussion on the post Brexit land / agriculture policy.

It was noted that the Welsh Government consultation on “Brexit and our land: securing the future of Welsh farming” would be launched during July 2018.

The Board would be given opportunity to consider HCC's response to this at the 13 September 2018 Board meeting.

Furthermore, the theme of combining environment and food production in a positive manner would be included in the Chair's speech for the Royal Welsh Show.

2. **Apologies for absence**

Illtud Dunsford.

3. **Declarations of Interest**

There were no new Declarations of Interest declared.

4. **To receive and approve the minutes of the Board meeting held on Thursday 3 May 2018 (HCC 821)**

The minutes of the Board meeting held on Thursday 3 May 2018 were taken as read, approved by the Board and signed by the Chair.

5. **Matters arising**

Flock and Herd Health and Welfare Working Committee

Arrangements were in hand with regard to processor representation on the Committee and would be confirmed to the Board in due course.

Staffing

It was noted that the recruitment exercise for the role of Programme Delivery Lead / Manager was ongoing.

6. **HCC Reports**

a. *Activities Report (HCC 822)*

The above was taken as read.

Market Development

Access to Japan was gaining pace with a systems audit delegation visit to Wales planned for wc 9 July 2018.

UK Export Certification Partnership (UKECP) – It was noted that HCC was in joint discussions with the Agriculture and Horticulture Development Board (AHDB) and Quality Meat Scotland (QMS) with regard to market access funding and possible further financial support to the UKECP. Defra had recently increased its budget provision to UKECP.

Industry Development

The Industry Development department had participated at a series of Farming Connect Lamb and Beef finishing meetings, providing information on market specifications and market demands.

Carcase Splitting – Change in Regulations

Discussions continued regarding an agreed cut off date. The options under consideration was the 31 May or 30 June.

Review of SQQ Lamb Weight Ranges

The above was ongoing with no consensus for change.

HCC Scholarship

The interviews for HCC's Scholars for 2018 / 2019 would be held week commencing the 9 July 2018 with the announcement of successful applicants at a function on HCC's stand at the Royal Welsh Show.

Communications

It was noted that Defra had drafted a Statutory Instrument under the Withdrawal Bill regarding Protected Food Names (PFN) and was consulting with the Welsh Government regarding a "UK PFN Regime". It appeared that the current proposal was:

- Transfer of regulations on the 29 March 2019.
- Thereafter - UK Ministers to consider the development of a new UK Scheme

HCC Corporate Website

The revamp work in relation to the above was complete and the website was now live. The transition from old to new appeared to be working satisfactorily.

HCC Bulletin – Summer 2018

Copies of the above were tabled for information and would be available on the Corporate Stand at the Royal Welsh Show. The publication would also be distributed to stakeholders and politicians.

b. Market Bulletin Summary (HCC 823)

The above was taken as read.

It was noted that lamb prices remained strong but the current drought / warm weather could become a great concern and have a severe impact on farming businesses. Brexit uncertainty and inclement weather continued to create significant repercussions.

- c. To receive a paper on the Year End Review of the HCC Operational Plan 2017 / 2018 (HCC 824)

The above was taken as read and presented by the Red Meat Executive.

- d. Forthcoming events (HCC 825)

The above was taken as read.

It was noted that HCC would be involved with Love Lamb Week during 1 – 7 September 2018 and also had agreed to support the Aga Brand Partnership.

- e. To receive a briefing on HCC's presence at The Royal Welsh Show 23 – 26 July 2018

A briefing on HCC's activity during the Royal Welsh Show was tabled and presented by the Communications Manager. Further information and lines to take with regard to current industry issues would be shared with the Board in the week leading up to the Show.

- f. To receive a presentation on HCC's UK Retail Strategy

The UK Retail Market Development Executive presented on HCC's Retail Strategy for 2018 / 2019.

Engagement had been made with key processors and retailers with regard to developing bespoke strategies for each key account during 2018 / 2019. This area of work was ongoing and arrangements were in hand for a trailer retail tour, POS materials, enhanced catalogue listings, retail magazine adverts and online activity.

7. HCC Committees

Research and Development and Knowledge Exchange Advisory Committee (R&D&KE)

- a. To receive a verbal report of the R&D&KE Committee held on Wednesday 13 June 2018

The Chair of the Committee reported to the Board as follows:-

- The four new Committee Members were welcomed to the meeting, Tim Rowe, Mariecia Fraser, Julie Finch and Gavin Watkins.
- There were no new project applications presented for consideration.

- Non Gwenllian Williams, 2nd year KESS PhD student at Bangor University presented to the Committee on her PhD studies to date - 'Optimized nutrient management in the uplands'.
- Levy Repatriation Ring Fenced funding for R&D - the first call for projects 'Assessing efficiency of breeding enterprises' and 'Improving Neonatal survival of lambs and suckled calves' have been released. Tenders had been received and were currently under review.
- HCC hosted a seminar series at the Royal Welsh Grass Event which showcased grassland based projects on the portfolio. Dr Christina Marley, IBERS represented the SURERROOT project and Chris Duller was present advocating the use of the recommended grass and clover list.

b. To adopt the minutes of the R&D&KE Committee held on Wednesday 7 March 2018 (HCC 826)

The above was taken as read and adopted by the Board.

Communications Advisory Committee

To receive a verbal report of the Communications Advisory Committee meeting held on Monday 18 June 2018

The Chair of the Committee reported to the Board as follows:-

- The Committee discussed HCC's presence at the Royal Welsh Show.

Proposed themes and activities for the duration of the Show were discussed.
- The Committee also discussed HCC's Corporate Sponsorship strategy and options to establish a benchmark for 2018 / 2019 for stakeholder knowledge of the industry and HCC's role.
- An update was given on HCC's Annual Conference planning including themes, merits of an afternoon / evening event and options for changing the format of the Board Q&A session.

There was a requirement to progress with the conference and therefore it was agreed for the Communications Manager to liaise with the Communications Advisory Committee and report to the Board accordingly.

Audit and Risk Committee

a. To receive a verbal report of the Audit and Risk Committee meeting held on Monday 25 June 2018

In the absence of Gareth Davies, Ogwen Williams was nominated as Chair for this Committee meeting and reported to the Board.

b. To receive a summary of the key points of the Financial Statements 2017 / 2018 (HCC 827)

The above was taken as read and presented by the Corporate Services Manager.

c. To receive and approve the Financial Statements for 2017 / 2018 (HCC 828)

The above was taken as read and presented by the Corporate Services Manager.

The Board, appointed as Non-Executive Directors confirmed that the detail contained within the Financial Statements in relation to their individual declarations was accurate. The relevant information had been communicated to the Auditors.

The Financial Statements for 2017 / 2018 were approved by the Board.

The Auditors were satisfied with the Financial Statements for 2017 / 2018 and were content to provide a clean audit to HCC which was commended by the Board.

d. To adopt the minutes of the Audit and Risk Committee meeting held on Thursday 8 March 2018 (HCC 829)

The above was taken as read and adopted by the Board.

Flock and Herd Health and Welfare Working Committee

To adopt the minutes of the Flock and Herd Health and Welfare Working Committee meeting held on Wednesday 25 October 2017 (HCC 830)

The above was taken as read and adopted by the Board.

8. **To receive a verbal update on HCC's Strategic Initiative application for RDP funding 2014 – 2020 on behalf of the Red Meat Industry**

It was noted on a confidential basis that approval of the above from the Welsh Government was imminent.

This would likely be formally announced by the Cabinet Secretary on the Monday of the Royal Welsh Show.

9. **To receive a briefing paper on the PGI Welsh Lamb and PGI Welsh Beef Designations (HCC 831)**

The above was taken as read and presented by the Red Meat Executive.

The Board was requested to consider whether the current specification requirements in relation to place of slaughter (i.e. abattoirs and cutting plants eligible for PGI scheme approval were not restricted to Wales) continued to be fit for purpose.

Following discussion, the Board agreed that there was currently no requirement for change but for the matter to be kept under review by the Executive.

10. **Any other business**

There was no other business.

11. **Date of next meeting**

Thursday 13 September 2018.

Signed.....
Chairman of HCC