



Minutes of a meeting of the Directors of Hybu Cig Cymru held at 10.30am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Friday 8 May 2015

Present: Dai Davies (Chairman)
John Brereton, Will Haresign, Bethan Jones, Graham Probert, Glyn Roberts, Richard Rogers, Richard Tudor, Wyn Williams and John Yeomans

By Invitation: Alison (Calland Wright Consulting), Spencer Conlon and David Lloyd-Thomas (Welsh Government)

Executive Team: Gwyn Howells (Chief Executive Officer - CEO)
in attendance Prys Morgan (Head of Operations)

Julie Finch (Corporate Strategy and Policy Manager)
Alan Morris (Communications Manager)
Laura Pickup (Market Development Manager)
Bryan Regan (Corporate Services Manager)

Julie Davies-Jones (Secretariat)

1. Welcome and Chairman's Comments

The Chairman welcomed all to the meeting and gave a verbal update on the key events and meetings he had attended since the previous meeting:-

March 2015

The Chairman attended the annual DairyCo Welsh conference.

The Chairman and CEO attend the annual St David Awards ceremony at the Senedd, Cardiff.

The Chairman attended a dinner to promote Welsh Mutton hosted by Mark Williams, MP, held at Nanteos, Aberystwyth. The event was part of the National Sheep Association's (NSA) Make More of Mutton Campaign.

2. Apologies for absence

Apologies were received from Gwynn Angell Jones (HCC Board) and Gary Haggaty, Welsh Government.

3. Declarations of Interest

Declarations of Interest were noted as follows:-

Credit Control – John Brereton and Wyn Williams.

4. **To receive and approve the minutes of the Board meeting held on Friday 6 March 2015 (HCC 625)**

The minutes of the Board meeting held on Friday 6 March 2015 were taken as read, approved by the Board and signed by the Chairman.

5. **Matters arising**

Agri – Tech Centre for Innovation and Excellence in Livestock (CIEL)

The focus of CIEL was to develop industry led, commercially sustainable innovative research and development capabilities from across the beef, sheep, pig, dairy and poultry sectors that generate wealth and business competitiveness through increased profitability.

The Corporate Strategy and Policy Manager informed that work relating to CIEL was ongoing and was being led by BPEX with support from HCC and others. Industry support was being sought as any Government funding would need to be matched by industry partners. The proposal would be submitted to the Department for Business Information and Skills at the end of March 2015.

FSA – Splitting of Lamb Carcasses

There was no update to report.

Replenishment of HCC Non-Executive Directors (NED's)

Confirmation was awaited from the Welsh Government on the appointment of the NED's to HCC's Board for a further term.

The CEO informed the Board that the Welsh Government had a duty to review "Arm's Length" bodies such as HCC from time to time and that it was likely that HCC would be reviewed in the future. The main focus would be on the strategic need for a Levy body together with a review of governance structures.

Porc

The Market Development Manager gave a presentation on HCC's initiative to promote and develop the porc.wales brand.

HCC had undertaken a review of the pork sector in Wales. As an outcome, a new website had been created to promote the quality of pork from Wales. The website would be targeted at end consumers and trade customers, retailers and the foodservice sector.

It was anticipated that the site would become live during the summer and would include an introduction to Welsh pork production, a directory of pig producers and a number of case studies featuring farmers, butchers and chefs.

Pig producers would have their own profile page on the site which would include information about their business and branding, as well as a link to any existing online presence. The website would also include pork recipe ideas as well as nutritional information.

Objective Carcase Management for Beef and Lamb

The feasibility work in relation to the above was ongoing and would be reported upon at the next meeting.

6. HCC Reports

a. Activities Report (HCC 626)

The above was taken as read.

Welsh Government – PDO / TSG applications

The Market Development Manager updated on the above:-

It was noted that the Welsh Government was keen to increase applications. However, it was felt that consideration to the overall implications on the Welsh brands was needed.

Welsh Lamb and Welsh Beef already benefited from having Protected Geographical Indication (PGI) status. HCC was generally in favour of additional food groups benefitting from Protected Food Name status which helps to identify them as quality produce in a competitive global marketplace.

However, there was concern that any named lamb or beef producer group, which may in future, pursue and achieve a PDO designation, that awarded PDO designation / brand would become a direct competitor to the PGI Welsh Lamb or PGI Welsh Beef brand.

The Board raised concern that an effort to increase the number of Protected Food Names in the red meat sector risked undermining and diluting the PGI Welsh Lamb and PGI Welsh Beef brands and was contrary to the Strategic Action Plan for the Welsh Red Meat industry.

The Market Development Manager was scheduled to meet with the Welsh Government Food Division in due course and would discuss the issue further.

In the meantime, it was agreed that a policy paper on the positioning of Sub-Brands affiliated to the PGI Welsh Lamb and PGI Welsh Beef brands would be prepared and considered at the next meeting.

b. Market Bulletin (HCC 627)

The above was taken as read.

The current farm gate lamb and beef prices were discussed at length and it was stressed that continued communications on the supply, demand and trade issues were of paramount importance.

c. Forthcoming Events (HCC 628)

The above was taken as read.

d. Financial – Income and Expenditure and Balance Sheet to 31 March 2015 (HCC 629)

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

It was noted that HCC's accounts to 31 March 2015 were currently being audited by the Wales Audit Office.

Board Members were requested to complete a declaration form that was required to be disclosed in compliance with Section 412 of the Companies Act 2006 for the period up to 31 March 2015. The information would be disclosed within HCC's financial statements 2014 / 2015.

7. **Audit and Risk Committee**

To adopt the minutes of the Audit and Risk Committee meeting held on Friday 7 November 2014 (HCC 630)

The minutes of the Audit and Risk Committee meeting held on Friday 7 November 2014 were taken as read and adopted by the Board.

8. **To receive a verbal update on the GB Red Meat Levy Distribution**

There was no update to report.

The next meeting of the full Red Meat Levy Group would be held on the 18 May 2015. It was anticipated that parties (AHDB, QMS and HCC) would agree the principles of levy repatriation at this meeting.

9. **To consider responses to the industry consultation on the Strategic Action Plan for the Welsh Red Meat Industry 2015 – 2020 (HCC 631)**

A summary paper highlighting responses received to the consultation was tabled and summarized by the Corporate Strategy and Policy Manager.

A total of twelve responses had been received which overall were very supportive of the targets set and outcomes seeking to be reached by 2020.

The proposed changes to the draft Strategic Action Plan were approved by the Board and would be incorporated into the document prior to submission to the Deputy Minister for approval. A formal launch was scheduled for July 2015.

10. **To receive a presentation on the development of a Red Meat Programme for the RDP 2015 – 2020**

The Corporate Strategy and Policy Manager presented the background and development of concept work undertaken by HCC in collaboration with the Welsh Government entitled “RDP 2015 – 2020 Core Industry Projects – Red Meat Sector Programme”.

The Board wholeheartedly supported the principles outlined in the Core Industry Projects and agreed that this was a desirable mechanism to achieve transformational change within the industry.

Dialogue would continue with the Welsh Government and industry in order to further develop this principle.

11. **To receive a verbal update on EIDCymru – the sheep movement database**

It was noted that John Richards (HCC’s Industry Development Executive) had been appointed to the post of Technical Implementation Lead and Jonathan Pryce, formerly of Border Software Ltd as Technical Implementation Executive. Both would commence in post on the 5 May 2015.

A communications plan had been developed to inform and engage all stakeholders and to encourage the use of EIDCymru for movement reporting by sheep keepers from January 2016.

Dialogue continued between HCC and Welsh Government with regard to the development of the software.

A presentation on EIDCymru would be given to the Board at the next meeting.

12. **Information paper – Carcase Classification Results 2014 (HCC 632)**

The above was taken as read.

13. **Any other business**

Wales Veterinary Science Centre, Aberystwyth

It was noted that the Centre (formerly know as the Veterinary Investigation Centre) would open for business during April 2015. The Centre had been established by a consortium of independent veterinary practices in Wales (Iechyd Da) and other partners and would initially provide an expert post-mortem examination service for farm livestock.

14. **Date of next meeting**

Monday 6 July 2015.

Private and Confidential meeting of the Board of Directors

15. To receive a verbal report of the Remuneration Committee meeting held on Friday 8 May 2015

The Executive and Welsh Government Officials departed the meeting.

This item was covered in a confidential part of the Board meeting and noted under separate minutes.

Signed.....
Chairman of HCC