



(HCC 953)

Minutes of a meeting of the Directors of Hybu Cig Cymru (HCC) held at 10.30am via Microsoft Teams on Thursday 2 July 2020

- Present:** Kevin Roberts (Chair)
Melody Chapman, Gareth Wynn Davies (departed 12.30pm), Huw Davies, John T Davies, Rhys Davies, Rachael Madeley Davies, Prys Morgan, Nadine Porter, Catherine Smith and Claire Williams
- By Invitation:** Rhys Pugh and Maria Richards, Welsh Government
- Executive in attendance:** Gwyn Howells (Chief Executive Officer - CEO)
Julie Davies-Jones (Secretariat)
Kirsten Hughes (Red Meat Executive) - Item 7
Rhys Llywelyn (Market Development Manager)
Bryan Regan (Corporate Services Manager)
John Richards (Industry Development and Relations Manager)
Owen Roberts (Communications Manager)

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

The Chair welcomed all to the second formal Board meeting to be held virtually since the Coronavirus (Covid-19) lockdown restrictions on the 23 March 2020.

It was expected that the UK Governments would announce some further lockdown easing on the 4 July 2020 for the hospitality and leisure sectors in accordance with Government guidance. The Welsh Government was proceeding more cautiously and no substantial easing for the foodservice sector was imminent.

In terms of HCC and EIDCymru, the CEO informed that staff continued to work well from home with all IT systems working fine. The Executive continued to keep Welsh Government advice and guidance for employees under review.

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

11 May 2020 - Minister's EERA EU Transition Roundtable meeting.

20 May 2020 - Farming Connect Strategic Advisory Board meeting.

29 May 2020 – The Chair and CEO participated in the Welsh Government / HCC quarterly update Governance meeting.

2 June 2020 – HCC Marketing Advisory Committee (Item 9e refers).

4 June 2020 – The Chair and CEO partook in the Minister’s EERA EU Transition Roundtable meeting.

The fortnightly Board / Executive virtual update meetings had continued during this uncertain time as well as frequent telephone updates between the Chair and CEO.

2. **Apologies for absence**

There were no apologies.

3. **Declarations of Interest**

There were no new Declarations of Interest.

4. **To approve the minutes of the Board meeting held on Thursday 7 May 2020 (HCC 942)**

The minutes of the Board meeting held on Thursday 7 May 2020 were taken as read, approved by the Board and signed by the Chair.

5. **Matters arising**

It was noted that matters arising from the minutes of the Thursday 7 May 2020 Board meeting were included on the agenda for this meeting (Thursday 2 July 2020).

EIDCymru

The CEO would engage with Welsh Government with regard to the Board receiving a briefing on EIDCymru / Multi Species Wales at the 4 November 2020 Board meeting.

9. **HCC Committees (Part 1)**

Items 9a, 9b and 9c were covered following matters arising given the early departure from the meeting of the Audit and Risk Committee Chair.

Audit and Risk Committee

a. **To receive a verbal report of the Audit and Risk Committee meeting held on Wednesday 10 June 2020**

The Chair of the Committee gave a verbal update on the above.

b. **To receive a summary of the key points of the Financial Statements 2019 / 2020 (HCC 947)**

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

c. To receive and approve the Annual Report and Financial Statements for 2019 / 2020 (HCC 948)

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

The Board (Non-Executive Directors) confirmed that there were no new or additional information in terms of their declarations of which the Auditors were unaware.

The Board approved the Financial Statements for 2019 / 2020.

6. **Brexit Update – To discuss the latest developments with regard to the UK departing the EU**

It was noted that there was no tangible progress to report on the above other than to report that the UK Government had confirmed it would not seek an extension to the Brexit transition period beyond 31 December 2020. Dialogue continued between Governments and the EU with regard to the Political Declaration.

There were several areas of concern for the UK and Welsh Governments impacted by the Covid-19 pandemic on a number of sectors including the severe challenges to the economy, the likelihood of a recession and growth in unemployment.

General discussion took place with regard to the likely impact on red meat industry and consequences on future trade arrangements.

Welsh Government continued with background work ahead of the exit. This involved resurrecting no deal discussions with stakeholders and the preparation of a business case(s) that may need to be submitted to Treasury for consideration.

7. **To receive an update on the Implications of Covid-19 for the Livestock Market and the impact on HCC's Operational Plan Delivery 2020 / 2021 (HCC 943)**

The CEO led a discussion on the paper which was taken as read:

It was pleasing to note that market prices and supply for cattle and sheep thus far had remained relatively stable throughout the pandemic.

There were no significant issues to report currently on the throughputs in the abattoir sector. The majority of plants were very aware of the challenges ahead in particular during the autumn / winter season.

Paper HCC 943 an outline of adjustments made to date was taken as read and presented by the Red Meat Executive.

The Executive informed that the KPIs in the Operational Plan 2020 / 2021 were currently unchanged to demonstrate HCC's continued ambitions for the Welsh red meat industry during this financial year. All KPI's would be progressed where

possible, however achieving all targets would now be challenging due to factors outside the control of HCC.

The Board was content with this position.

The delivery and budgets of the Operational Plan 2020 / 2021 were being reviewed by the Executive on a regular basis and the Board would be updated further at the 3 September Board meeting.

8. HCC Reports

a. Activities (HCC 944)

The above was taken as read.

b. Market Bulletin Summary (HCC 945)

The above was taken as read.

c. Update on events (HCC 946)

The above was taken as read and summarised by the Communications Manager.

A decision was awaited from the event organisers on whether the SIAL Paris trade fair (18 – 22 October 2020) would take place.

Virtual Royal Welsh Show 2020 – An update was given on HCC's participation which would this year be through a virtual platform. HCC would be involved in 9 virtual sessions to include cooking demonstrations with Michelin-starred chefs

and, updates on the industry projects. Arrangements were in hand for the annual address by the Minister and Chair on the first morning of the Show on Monday 20 July 2020. HCC's videos would first appear on the virtual Royal Welsh platform and on HCC's social media thereafter.

d. To receive a presentation on the HCC Sustainability Campaign January – March 2020

The Market Development Manager gave an overview on the above (available via Sharepoint / Information / Presentations / 02.07.20 Sustainability Campaign).

9. HCC Committees (Part 2)

Communications Advisory Committee

d. To receive a verbal report and adopt the minutes of the Communications Advisory Committee meeting held on Thursday 7 May 2020

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

The minutes were utilized as a report to the Board with no issues raised.

Marketing Advisory Committee

- e. To receive a verbal report and adopt the minutes of the Marketing Advisory Committee meeting held on Tuesday 2 June 2020 (HCC 950)

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

The minutes were utilized as a report to the Board with no issues raised.

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

- f. To receive a verbal report and adopt the minutes of the R&D&KE Committee meeting held on Wednesday 3 June 2020 (HCC 951)

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

The minutes were utilized as a report to the Board with no issues raised.

10. **Paper for information: Current financial performance of farms in the Welsh Red Meat Sector (HCC 952)**

The above was taken as read.

11. **Any other business**

There was no other business.

12. **Dates of forthcoming meetings**

The Chair proposed that the weekly Board update meetings could at this stage be adjusted to be held on a fortnightly basis with a view of reverting back to weekly if necessary. The Board agreed with the proposal.

Board teleconference update – Thursday 16 July 2020
HCC Board meeting - Thursday 3 September 2020.

Signed.....
Chairman of HCC