



(HCC 915)

Minutes of a meeting of the Directors of Hybu Cig Cymru (HCC) held at 11.30am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Wednesday 6 November 2019

- Present:** Kevin Roberts (Chair)
Huw Davies, Gareth Wynn Davies, John Davies, Rachael Madeley Davies, Helen Howells, Barrie Jones, Catherine Smith, Claire Williams and Ogwen Williams
- By Invitation:** Mark Alexander and Maria Richards, Welsh Government
- Executive in attendance:** Gwyn Howells (Chief Executive Officer - CEO)
Julie Davies-Jones (Secretariat)
Kirsten Hughes (Red Meat Executive) – Items 7,8 & 9
Bryan Regan (Corporate Services Manager)
John Richards (Industry Development and Relations Manager)
Owen Roberts (Communications Manager)
Sam Crutchley (SFC Consulting Ltd) – Item 11d

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

The Chair welcomed all to the meeting in particular Sam Crutchley in attendance to give a presentation on Item 11d in the absence of the Market Development Manager who was on a trade mission in Japan.

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

12 September 2019 – The Chair met with John Cross (former AHDB Beef and Lamb Chair and current Chair of the TB Advisory Group for England) to discuss ongoing industry challenges.

24 September 2019 – The Chair and CEO attended a meeting of the Welsh Government's Sustainable Brand Values Programme Sector Board meeting.

6 – 8 October 2019 – The Chair attended the Angua Trade Fair and held meetings with the exporters.

10 October 2019 – The Chair attended a meeting of the First Minister's EU Exit Group.

14 October 2019 – The Chair and Communications Manager attended a meeting of the NFU Cymru Welsh Council where discussion took place regarding Brexit and falling Beef prices.

16 October 2019 – HCC Communications Advisory Committee teleconference.

17 October 2019 – HCC Board update teleconference.

22 October 2019 – The Chair and CEO attended an industry meeting on the farm of Greg Pickstock. Discussion took place around the requirements to meet current industry issues and a sustainable future for beef.

24 October 2019 – The Chair partook in a teleconference of the EU Advisory Committee.

25 & 26 October 2019 – The Chair and Industry Development and Relations Manager represented HCC at the annual AIMS Conference.

2. **Apologies for absence**

There were no apologies.

3. **Declarations of Interest**

There were no new Declarations of Interest.

11d. **To receive a presentation on the PGI Welsh Beef Campaign 2019 / 2020**

A presentation on the ongoing PGI Welsh Beef Campaign was given by Sam Crutchley.

It was highlighted that since April 2018, the campaign had moved to all-year round activity and a digitally focused approach with a view to increasing brand engagement and improving long-term performance tracking. Initial results had indicated that this strategy was successful by delivering online consumer engagement and targeted promotion throughout the year for the same budget.

The 2019 / 2020 campaign had been split into four key elements which were detailed within the presentation: -

1. All Year Round – Baseline activity (April 2019 / March 2020)
2. Burst 1 – Rugby World Cup (September / October 2019)
3. Burst 2 – Christmas period (November / December 2019)
4. Burst 3 – Six Nations 2020 (February / March 2020)

The positive results from the activity to date were welcomed by the Board. It was agreed to share initial results following each activity to the Board going forward.

4. **To approve the minutes of the Board meeting held on Thursday 5 September 2019 (HCC 905)**

The minutes of the Board meeting held on Thursday 5 September 2019 were taken as read, approved by the Board and signed by the Chair.

5. **Matters arising**

There were no matters arising.

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

There was no update to report.

7. **To consider the 6-month review of the HCC Operational Plan 2019 / 2020 Performance against KPIs April – September 2019 (HCC 906)**

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

The document outlined HCC's performance against targets (where appropriate to measure) against the Key Performance Indicators (KPIs) for the first 6-months of the 2019 / 2020 financial year.

It was noted that the majority of activity and delivery was ongoing and would be progressed and measured during the second half of the financial year. However, HCC was currently on track to achieve the targets set with no concerns to highlight at this stage.

The Board was content with the current situation.

8. **To consider and approve the Welsh Red Meat Levy rates and recovery costs for 2020 / 2021 (907)**

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

The Executive recommended to the Board that given the continued uncertainty surrounding Brexit together with the ongoing interim arrangements with regard to the repatriation of Levy and funding support from other sources such as the Red Meat Development Programme, that it was considered appropriate that the Welsh Red Meat Levy rates should remain the same for 2020 / 2021 as follows: -

Welsh Red Meat Levy Rates for 2020 / 2021			
<i>(per head)</i>	Total Levy Collected	Total Paid by Producer	Total Paid by Slaughterer/ Exporter
Sheep	£ 0.83	£ 0.63	£ 0.20
Cattle	£ 5.67	£ 4.34	£ 1.33
Calves (up to 68kg)	£ 0.17	£ 0.085	£ 0.085
Pigs	£ 1.30	£ 1.05	£ 0.25

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Levy Recovery Costs for 2020 / 2021	
Species	Levy Recovery (per head)
Sheep	£0.010
Cattle	£0.030
Pigs	£0.013

Following discussion, the Board agreed to the recommendation.

Next steps: The recommendation of the Board would be presented to the Minister for setting the Welsh Red Meat Levy.

9. **To receive an update on the planning process for the HCC Corporate Plan 2020 / 2023 and HCC Operational Plan 2020 / 2021**

The Red Meat Executive informed that both documents were currently in the process of being drafted.

In line with the Vision 2025, the Corporate Plan should set out the key areas of work that the Board prioritizes for the effective use of Welsh Red Meat Levy monies during the three-year period 2020 / 2023.

The Executive proposed that subject to budgetary revisions that the 2020 / 2023 Corporate Plan be based on the 2019 / 2022 version and that the draft Operational Plan for 2020 / 2021 would outline the priorities of the Corporate Plan. However, it was highlighted that there may be a requirement to revisit the Plans depending on the ongoing Brexit negotiations. The Board would be advised accordingly by the Executive on an ongoing basis.

The following planning timeline was proposed and approved by the Board: -

Date

16 January 2020	First drafts presented to the Board
5 March 2020	Amended drafts presented to the Board for approval Plans sent to the Minister for approval
1 April 2020	Plans introduced (Corporate Plan published on HCC website)

10. **Discussion on consumer communication regarding the sustainability of Welsh Red Meat**

The CEO presented a proposal for the above.

Objective

The objective of the campaign would be to target consumers across England and Wales with positive sustainability messaging around red meat from Wales with PGI Welsh Lamb and PGI Welsh Beef as a key focus.

Strategy

A range of existing creative materials would be repurposed and strengthened further to enhance messaging.

A mix of traditional and digital advertising would be developed targeted at consumers along with wider awareness raising partnership work across the industry.

Methods of advertising would include television, video, radio, digital and press.

Timeline and budget

It was proposed to announce the campaign at the HCC Annual Conference on the 14 November 2019. The campaign would run from December 2019 through to March 2020.

The Executive proposed to allocate a budget of £200k to the campaign utilizing monies from the HCC reserves fund and an element from recently negotiated overhead costs from the Ring-Fenced Fund.

The proposal was well received by the Board and following discussion the Board unanimously agreed for the Executive to progress with the campaign.

11. **HCC Reports**

a. Activities (HCC 908)

The above was taken as read.

It was noted that work was underway with regard to the development of HCC's Red Meat Sustainability Roadmap. An update would be given to the Board at the 16 January 2020 meeting.

b. Market Bulletin Summary (HCC 909)

The above was taken as read.

c. Financial – Income and Expenditure and Balance Sheet to 30 September 2019 (HCC 910)

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

d. To receive a briefing on HCC's Annual Conference – Thursday 14 November 2019

A draft running order for the conference was tabled and summarised by the Communications Manager.

This year's conference theme was "The Welsh Way – the premium path to supply chain sustainability".

The conference would commence at 3.30pm and include the following with Q&A sessions led by the Chair and CEO: -

- Address from the Cabinet Secretary
- "The Market Outlook for Beef" - James Ruggeri and Rhys Llywelyn (HCC)
- "Ask the Board" session for Levy payers
- "Red Meat and Fat: the public debate and the nutritional science" – Dr Zoe Harcombe
- "Red Meat's place in a changing landscape: UK retail, out of home dining and global trade" – Lord Mark Price former Trade Minister and former Managing Director of Waitrose
- "Securing the best bang for the buck: retail partnerships, digital promotions and developing new markets" – Rhys Llywelyn (HCC)
- "The Welsh Way: HCC's key environmental messages" – Owen Roberts (HCC)
- "Building for the future: Red Meat Development Programme" – John Richards (HCC).

The conference would close at approximately 7pm with refreshments and opportunity for networking.

A briefing session for the Board would be held at 3pm.

- e. Forthcoming events to include an update on HCC's presence at the Winter Fair 25 & 26 November 2019 (HCC 911)

The forthcoming events paper was taken as read.

Winter Fair – Monday 25 & Tuesday 26 November 2019

The Communications Manager summarised HCC's presence and activity for this year's Winter Fair.

The annual HCC industry breakfast would be held at 8am on Monday 25 November 2019 at the Hafod a Hendre with the Minister in attendance.

A full briefing paper would be shared with the Board ahead of the Winter Fair.

12. **HCC Committees**

Communications Advisory Committee

- a. To adopt the minutes of the Communications Advisory Committee meeting held on Thursday 5 September 2019 (HCC 912)

The minutes of the meeting held on Thursday 5 September 2019 were taken as read and adopted to by the Board.

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

Marketing Advisory Committee

- b. To receive a verbal report of the Marketing Advisory Committee meeting held on Tuesday 1 October 2019

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

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

- c. To receive a verbal report and adopt the minutes of the R&D&KE Committee meeting held on Wednesday 2 October 2019 (HC 913)

The minutes of the meeting held on Wednesday 2 October 2019 were taken as read and adopted to by the Board.

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

Flock and Herd Health Working Group (FHHWG)

- d. To receive a verbal report and adopt the minutes of the FHHWG meeting held on Wednesday 23 October 2019 (HCC 914)

The minutes of the meeting held on Wednesday 23 October 2019 were taken as read and adopted to by the Board.

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

Industry Liaison Group (ILG)

- e. To receive a verbal report of the ILG meeting held on Tuesday 15 October 2019.

The CEO informed that the industry group had met to provide an opportunity for stakeholders to discuss and contribute to the draft HCC Corporate Plan 2020 / 2023.

Discussion took place on the following topics: -

- Enhancing Shelf Life
- Maximising opportunities from 5th Quarter products
- Maintaining critical mass of Livestock in Wales
- Uncertainty of Brexit
- Brand integrity through Oritain programme
- Tackling negative anti-meat press (links to diet and the environment)

13. **Any other business**

Review of PGI Welsh Beef Specification

It was noted that following requests from the industry, the Executive would undertake a review of the PGI Welsh Lamb and PGI Welsh Beef Specifications. The previous review was undertaken during 2018.

The Board would be kept updated on developments.

14. **Dates of forthcoming meetings**

HCC Board meeting – Thursday 16 January 2020

Board teleconference update – Thursday 6 February 2020 at 9.30am

Signed.....
Chairman of HCC