



(HCC 905)

Minutes of a meeting of the Directors of Hybu Cig Cymru (HCC) held at 10.30am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Thursday 5 September 2019

- Present:** Kevin Roberts (Chair)
Huw Davies (via Skype), Gareth Wynn Davies, John Davies, Rachael Madeley Davies, Helen Howells, Barrie Jones, Catherine Smith, Claire Williams and Ogwen Williams
- By Invitation:** David Thomas and Maria Richards, Welsh Government
- Executive in attendance:** Gwyn Howells (Chief Executive Officer - CEO)
Julie Davies-Jones (Secretariat)
Kirsten Hughes (Red Meat Executive) – Consultation item
Rhys Llywelyn (Market Development Manager)
Bryan Regan (Corporate Services Manager)
John Richards (Industry Development and Relations Manager)
Owen Roberts (Communications Manager)

To receive a briefing on the Welsh Government consultation – Sustainable Farming and Our land

The Chair welcomed David Thomas, Agriculture and Sustainable Development Division, Welsh Government who gave a presentation to the Board on the above.

1. Welcome and Chair's Comments

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

5 July 2019 - The Chair and CEO attended a meeting with representatives from the Livestock Auctioneers Association (LAA) and Welsh Government. A range of topics were discussed including HCC Board representation and the benefits which were apparent to all parties of closer working relationships. A further meeting was held on the 21 August 2019 between the HCC Executive and the LAA when a number of industry topics were discussed.

22 and 23 July 2019 – The Chair attended the Royal Welsh Show (Item 7e refers).

13 and 14 August 2019 – The Chair attended Anglesey Show which gave an opportunity to engage with the Farming Unions on Brexit and industry issues.

19 August 2019 – The Chair met with Chris Kebell, NZ High Commission where discussion took place regarding the current Brexit situation and market interventions.

2. **Apologies for absence**

Apologies had been received from Mark Alexander, Welsh Government.

3. **Declarations of Interest**

There were no new Declarations of Interest.

4. **To approve the minutes of the Board meeting held on Thursday 4 July 2019 (HCC 897)**

The minutes of the Board meeting held on Thursday 4 July 2019 were taken as read, approved by the Board and signed by the Chair.

5. **Matters arising**

HCC's Information Classification and Handling Policy

SharePoint (intranet and content management system) had been installed and enabled the Board to gain access to documentation such as Board papers. Training for staff and development of the system would be undertaken over the coming months.

Action: Corporate Services Manager

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

Discussion took place regarding the above.

The risk to the sheep industry would be enormous if there was a no deal on 31 October 2019. Should there be a further delay until the 31 January 2020 this would mean that a large percentage of the lamb crop would have been sold.

The Welsh Government continued to work on contingency planning, working closely with the devolved administrations and Whitehall departments. Proposals had been submitted to the Treasury on a possible sheep contingency scheme.

The Minister's recent announcement on the introduction of the Basic Payment Scheme (BPS) 2019 Support Scheme was welcomed by the Board. The Scheme would provide farmers with a degree of financial security during these difficult times.

The Welsh Government's Contingency Planning Stakeholder meetings continued to be held and the "Local Intelligence Network and Agriculture Resilience Group" had been formed in preparation of a no deal Brexit. Consideration was being given to interventions and support to the industry in terms of wellbeing, crisis support, farming communities. Funding for charity organisations and the formation of a "Charity Partnership Group" were also currently being considered.

6b. **To receive a paper on Examination of HCC's readiness for exiting the EU (HCC 898)**

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

The Board was content that HCC was undertaking its obligations in terms of preparedness and communication on Brexit.

7. **HCC Reports**

a. **Activities (HCC 899)**

The above was taken as read.

Communications

The Communications department was currently planning HCC's Annual Conference in addition to addressing current industry topics with the press and media in particular Climate Change and falling Beef prices.

Market Development

The Market Development Manager tabled literature developed by the Market Development department on: -

- Trade
- Consumer facing publications (recipes, information on cuts and key messages on the meat and the natural environment) and
- the "On the Farm" (educational activity booklet produced for Key Stage 1 pupils).

Red Meat Development Programme (RMDP)

Activities continued on the delivery of the three projects; Stoc+ (Flock and Herd Health Planning), Flock Genetics and Meat-Eating Quality as noted within the Activities Report (HCC 899).

Recent appointments to project vacancies were as follows: -

Heather McCalman, Programme Delivery Co-ordinator
Sean Jefferies and Elizabeth Swancott, Project Officers.

The Research and Development Officer vacancy had been filled with Nia Davies commencing in role on the 21 October 2019.

Industry Development publications launched at the Royal Welsh Show were tabled: -

- The Little Book of Meat Facts and
- Red Meat Benchmarking Project – driven by Data.

Red Meat Levy Repatriation

The principles and methodology of how the Levy would be repatriated in future had been agreed. The next steps were to use various data sources to populate the agreed methodology. The Board would be kept updated of progress.

It was doubtful that the Agriculture Bill would become law given the current status of Brexit. The CEO highlighted that was unlikely that the Levy repatriation scheme would come into being by the 1 April 2020 and therefore probable that the Ring-Fenced Fund (RFF) arrangement between the Levy bodies would continue for an additional year.

b. Market Bulletin Summary (HCC 900)

The above was taken as read.

It was concerning to note that beef prices had not improved since the previous Board meeting. Prices were currently down 11% on last year. HCC was continuing to engage with the whole supply chain and would be calling a further meeting in the near future.

A wide-ranging discussion took place outlining the various reasons for the current predicament. It was agreed to summarize these and forward to the Board.

c. Financial – Income and Expenditure and Balance Sheet to 30 June 2019 (HCC 901)

The above was taken as read.

The Corporate Services Manager tabled and summarized on the quarterly Income and Expenditure to June 2019 which had been emailed previously to the Board on the 30 July 2019.

It was noted that the budget figures had been adjusted from those within the initial Operational Plan for 2019 / 2020 to take into account the reprofiling of the RMDP and the extraction of the RFF activities as recommended by the Wales Audit Office.

The revised Budget was approved by the Board.

d. Forthcoming events (HCC 902)

The above was taken as read.

- e. To receive feedback on HCC's presence at the Royal Welsh Show 22 – 25 July 2019

HCC's presence at the Royal Welsh Show was commended by the Board and the feedback from the Communications Advisory Committee was noted (included below).

Both stands (Corporate / Consumer and Industry Development) had been designed to accommodate and welcome respective audiences with key messages clearly visible.

The HCC's breakfast was very well attended and messages within the Chair's speech on the impact of a No-Deal Brexit in October would have on the agriculture sector as a whole and in particular the export market had received press and media attention.

A number of key meetings were held on and off stand including press and media interviews on Brexit, engagement on a political level, an introduction to the New Zealand High Commissioner and the HCC Industry meeting on current beef market challenges. The CEO also partook on a Q&A session organized by the Welsh Affairs Committee as part of an enquiry into Brexit, trade and customs: implications for Wales.

HRH The Prince of Wales' visit to HCC's main stand was well received and gave opportunity for HRH to engage with a group of Welsh farmers on sustainable farm practices, the environment and the beef and sheep sector.

- f. To receive a presentation on the evaluation of the PGI Welsh Beef campaign 2018 / 2019

The Market Development Manager presented on the above.

The upcoming PGI Welsh Beef campaign was at the advanced planning stage. A presentation on this would be given at the next meeting.

8. HCC Committees

Audit and Risk Committee

- a. To adopt the minutes of the Audit and Risk Committee meeting held on Wednesday 12 June 2019 (HCC 903)

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

Communications Advisory Committee

- b. To receive a verbal report of the Communications Advisory Committee meeting held on Thursday 5 September 2019 – Item 7e also refers / Royal Welsh Show

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

Marketing Advisory Committee

- c. To adopt the minutes of the Marketing Advisory Committee held on Monday 10 June 2019 (HCC 904)

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

9. **Any other business**

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10. **Dates of forthcoming meetings: -**

Board update teleconference – Thursday 3 October 2019 at 9.30am
HCC Board meeting – Wednesday 6 November 2019 at 10.30am.

Signed.....
Chairman of HCC