



Minutes of a meeting of the Directors of Hybu Cig Cymru (HCC) held at 10am at Tŷ Rheidol, Aberystwyth on Thursday 5 December 2024

- Present:** Cath Smith (Chair)
Gareth Wynn Davies, John T Davies, Jack Evershed, Hugh Hesketh-Evans, Mike Humphreys, Emlyn Roberts, Caroline Sanger-Davies, Vicki Spencer-Francis
- By invitation:** Maria Richards (Welsh Government);
Gareth Bevington (Welsh Government)
- Executive:** Heather Anstey-Myers, Interim CEO;
Gareth Jones, Head of Finance and Corporate Governance;
Laura Pickup, Head of Strategic Marketing & Connections;
John Richards, Producer and Processor Lead;
Jason Craig, Market Development Lead;
Russ Thomas, Policy Development Lead;
Jo Horder, Secretariat.

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

The Chair welcomed all to the Board meeting, in particular Gareth Bevington, Welsh Government.

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

09 October – Meeting James Evans and Andrew RT Davies

10 October – Meeting Sam Kurtz

17 October – Welsh Government Finance meeting

20/21 October – SIAL, Paris

20 October – Remuneration Committee

05 November - HCC Staff Away Day followed by Board Update meeting

11 November – Welsh Government Governance meeting

14 November – HCC Conference

25/26 November – Royal Welsh Winter Fair

29 November – Remuneration Committee

02 December – CEO recruitment panel

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The Chair had also attended further meetings of the Ministerial Round Table and the Carbon Sequestration Review Panel.

It was noted that following the work undertaken by these groups, the Deputy First Minister had announced an updated outline plan for the Sustainable Farming Scheme during the Winter Fair.

The Chair formally acknowledged the work of HCC staff with regards to the very successful HCC Conference and attendance at the Winter Fair, and expressed thanks on behalf of the Board.

2. Apologies for absence

Anne Dun (HCC); Pip Gill (HCC)

3. Declarations of Interest

The Head of Strategic Marketing and Connections announced she would be leaving HCC to start work with a processor in the commercial sector in January, but would not be working on anything commercially sensitive in the interim.

4. To approve the minutes of the Board meetings:

a. The Board meeting held on Thursday 3 October 2024

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

b. The Board Teams update meeting held on Tuesday 5 November 2024

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

5. Matters arising from Items 4a and 4b above

Minutes of Thursday 3 October 2024

Market Bulletin: Paper on protein consumption in China

Work is ongoing. Paper to be tabled at the March 2025 Board meeting.

Harassment Policy

Updated policy to be tabled at the January 2025 Board meeting.

Minutes of Tuesday 5 November 2024

Trade Policy Advisory Group paper

Work is ongoing. Paper to be presented to Board prior to presenting to TPAG in March 2025.

Staff Away Day

It was noted that Department Leads and HR had been working through the outcomes of the day, and considering what is needed regarding staff support, policy and communications.

6. **To consider the 6-month review of the HCC Operational Plan 2024-25 Performance Against KPIs**

The Producer and Processor Lead presented the above and highlighted the current situation regarding the end of year targets in each business area.

It was noted that, overall, performance against the KPI measures was in a reasonable position at this stage. Some have already been achieved, and others continue to be monitored or will have results measured later in the year.

With regards to stakeholder communications KPIs, it was noted that measures were normally obtained from a survey undertaken in January. For 2024-25 HCC proposed to delay the survey until later in the year and, for future years, develop a methodology to measure stakeholder perceptions throughout the year, with results presented to the Board more frequently.

It was agreed that this was a good approach. A paper will be tabled for January 2025.

Action: Producer and Processor Lead

7. **Planning process for HCC Operational Plan 2025-26**

The Producer and Processor Lead presented an initial draft of the 2025-26 Operational Plan for consideration. A template with figures will be tabled at the Board meeting in February/March 2025.

A discussion was had regarding future funding and collaboration opportunities to enhance HCC's ability to support the red meat industry in Wales through research and pilot studies. There will be opportunities in 2026 when work is procured to support the Sustainable Farming Scheme, but discussions with Welsh Government to identify openings prior to then would be helpful.

Action: Policy Development Lead

8. **HCC Reports**

a. **Delivery report (HCC 1215)**

The above was taken as read.

b. **Debrief on HCC's presence at the Royal Welsh Show 21–24 July**

Feedback was sought from the Board regarding HCC's presence at the show.

Overall, it was agreed that HCC's presence was well delivered and the activity and interaction with retailers and academic bodies had been very effective. It was felt, however, that there were fewer visitors to the stand than usual, and the new design and itinerary may not have been as welcoming to a broad range of show visitors, particularly without the cooking demonstrations.

It was noted that the available resources were a key factor in designing stand activities. Moving forward, consideration needs to be given to the overall aim of attendance, the priority audience, the impact sought and the cost benefit of different activities, as well as ways to get the most out of show sponsorship.

Planning for the 2025 show will begin early to allow more time to fully consider key

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objectives and all options available to deliver these.

c. To receive feedback on HCC's presence at National Education Show 4 October 2024

The paper was taken as read.

It was noted that a very positive response had been received regarding HCC's presence at the event and the information and resources provided to attendees. It had illustrated the importance of HCC being in the same space as health partnerships to help influence future food strategies.

d. To receive feedback on HCC's Annual Conference 14 November 2024

The Head of Strategic Marketing and Connections informed the Board that a formal report on the Conference is being prepared and will be tabled at the January 2025 meeting.

The Board will await the formal feedback, but agreed that overall, the content of the event was excellent and had been well organised and delivered.

The Interim CEO thanked the Board for their participation and assistance during the Conference.

e. To receive feedback on HCC's presence at the Winter Fair 25-26 November 2024

The Chair thanked HCC staff for the tremendous effort in delivering the programme of events over the two days. All agreed it had been a very successful event.

A discussion was had on the attendance at the HCC Breakfast on the Monday. It was agreed to fully review and update the invitee lists for the Conference and the RWAS/Winter Fair breakfasts.

Action: Interim CEO

f. Market Bulletin Summary

The above was taken as read.

A discussion was had on the situation regarding the sustained beef prices. It was agreed a paper would be helpful to provide a full understanding of the situation and the factors affecting the prices.

Action: Producer and Processor Lead

g. Forthcoming Events

The above was taken as read.

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h. Financial – Management Accounts to 31 October 2024

The above was taken as read and summarised by the Head of Finance and Corporate Governance.

Risk Management – Board Assurance Framework

The Head of Finance and Corporate Governance presented the above and summarised the progress to date.

Phase 1 to 5 of the review of the HCC risk management framework had been completed. The final phase will consider the best mechanisms for reporting and presenting going forward.

The paper had been discussed in detail at the Audit and Risk Committee meeting in October. Particular attention was given to areas where current risks exceed HCC's risk appetite, including IT infrastructure resilience, financial health, workforce retention, and operational disruption preparedness. Immediate actions to address these risks were proposed, with measurable indicators to monitor progress.

It was proposed that the Assurance Framework is presented to the Board on an annual basis. The Board was content with this proposal.

j. Framework Agreement Update

The above was taken as read. The Head of Finance and Corporate Governance summarised the salient points from the latest draft of the document and areas identified for further clarification and/or comment.

There had been positive discussions with Welsh Government Finance team regarding the issue of cash reserves. A revised methodology had been agreed which will allow current cash reserves to be maintained as working capital, whilst threshold limitations are restricted to the excess (6%) of outturn income levels against budget.

The final draft will be tabled at the Audit and Risk Committee meeting in February 2025 for a detailed review, followed by a summary paper to the Board in March 2025 for final agreement.

k. Multi-Species Wales Update

The paper was taken as read and summarised by the Head of Finance and Corporate Governance. Key points noted were:

- The launch of MSW Beta 1 was delayed, due to resource allocated to the development of BVD and Sheep Succession;
- BVD was launched on 25 November;
- End-of-life support in sheep system had been extended by 12-months;
- MSW launch had been provisionally delayed to January 2026;
- No risk while British Cattle Movement Service (BCMS) - CTS online remains live (England)

9. HCC Committees

Audit and Risk Committee

a. To receive a verbal report of the Audit & Risk Committee meeting held on Thursday 31 October 2024

The Committee Chair reported on the above. Key points highlighted were;

- External Audit: Audit Wales proposed to issue an unqualified opinion on the 2023-24 accounts. Two recommendations relating to the financial system software and contract approval and documentation were being addressed by management. Audit Wales gave a record of thanks to the HCC Finance team for their co-operation during the audit;
- Draft financial statements: included on Board agenda for approval;
- Internal Audit progress: the first audit, a Review of Current Systems and Procedures had been completed. The further three reviews planned for the year were on track to be delivered;
- Internal Audit Report - Systems and Processes: the review looked at three control areas - governance, financial controls and IT arrangements. Eighteen areas for improvement had been identified to enhance HCC's control framework. A number of areas of good practice were identified during the review;
- Internal Audit draft plan 2025–2026: the plan proposed carrying out fewer reviews, but covering areas in greater depth. Two key business processes, Procurement, and Data Protection, were proposed for review during 2025-26, comprising 24 audit days;
- Risk management update: framework document discussed in detail and included on Board agenda;
- Internal compliance metrics: a comprehensive report on an initial suite of compliance metrics was presented and noted by the Committee. It was agreed to present on an annual basis;
- Register of Interests, Gifts and Hospitality: HCC remained largely compliant with governance requirements. Three actions were approved to maintain or improve compliance: follow-up on outstanding declarations in all areas by 30 November 2024; review and update policies on gifts and hospitality limits by 31 March 2025; refresher training on anti-bribery policies for staff;
- Information Governance: HCC was successful in retaining Cyber Essential Plus certification during 2024;
- Making Board and Audit Committee Minutes Public: paper tabled for information setting out principles for the publication of Welsh Public Sector Board and Audit & Risk Committee meetings. The final version will be presented to the Committee for consideration.

b. To receive and approve the Annual Report and Financial Statements 2023-24

The Head of Finance and Corporate Governance presented the above. The draft financial statements had been subject to audit by external auditors (Audit Wales) and an unqualified audit report was presented to the Audit & Risk Committee on 31 October 2024.

Particular attention was brought to the performance overview and activity sections of the report which captured the key delivery activities of HCC and the outstanding work that had been achieved.

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The Board approved the financial statements for the year ending 31 March 2024.

The approved and signed financial statements will be laid before the Senedd and filed at Companies House by the submission deadline of 31 December 2024. They will be displayed on the HCC website.

Committee membership

The Chair updated the Board regarding the membership of the Committee, which had reduced from four to three following a Board member resignation in June. The Committee had discussed the situation with the Board Chair and it had been proposed to appoint Caroline Sanger-Davies to the Committee. The Board endorsed the proposal.

10. Any other business

CEO Recruitment Process

It was noted that the closing date for applications had passed. A good number of applications had been received. A panel sift had taken place on Monday 2 December, with interviews taking place on Thursday 12 December.

Board Appointment Update

It was noted that the closing date for applications is Friday 13 December. Short listing will take place in January, with interviews taking place January/February.

Women in Meat Industry Awards

It was noted that Leisia Tudor of Dunbia Group had won The Rising Star Award at the Meat Management Industry Awards ceremony organised by Meat Management magazine. Leisia is a member of the Sustainable Innovation and Research Group and a former employee of HCC. The Board congratulated Leisia on her achievement.

The Chair concluded by congratulating the Head of Strategic Marketing and Connections on her new job and wished her luck for the future.

11. Dates of forthcoming meetings

Board Meeting – Thursday 9 January 2025
Sustainable Innovation & Research Group – Thursday 15 January 2025
Board Teams update - Thursday 6 February 2025 at 9.30am
Audit & Risk Committee – Thursday 27 February 2025 at 10.00am
Board Meeting – Thursday 6 March 2025 at 10.00am

HCC Board Closed Session

A separate and confidential meeting of the Board followed.

Signed..... Chair of HCC