



**Minutes of a meeting of the Directors of Hybu Cig Cymru (HCC) held at 10am
at Tŷ Rheidol, Aberystwyth on Thursday 13 March 2025**

- Present:** Cath Smith (Chair)
Gareth Wynn Davies, John T Davies, Jack Evershed, Hugh Hesketh-Evans, Mike Humphreys, Emlyn Roberts, Vicki Spencer-Francis, Caroline Sanger-Davies
- By invitation:** Rhys Pugh (Welsh Government);
(*For Item 11*) Paul Tomlinson (Kantar)
- Executive:** Jose Peralta, HCC CEO;
Meilyr Ceredig – Head of Promotions and Operations;
John Richards, Producer and Processor Lead;
Pip Gill, Brand Engagement Lead;
Jo Horder, Secretariat;
(*For Item 11*) Glesni Phillips, Intelligence, Analysis and Business Insight Executive

1. Welcome and Chair's Comments

The Chair welcomed all to the meeting and gave a brief update on the key events and meetings she had attended since the previous Board meeting:

- 13 January: Governance Meeting with WG – via Teams
- 16 January: Attendance at the NFU Cymru Livestock Board – in person
- 22 January: Meeting with the DFM along with new CEO at the Senedd, followed by the FUW Breakfast event in Cardiff
- 23 January: WG/CEO Introductions Meeting
- 27 January: HCC Board Members application sift with panel – via Teams
- 6 February: HCC Board Teams Update
- 13 February: Attendance at the Farming Connect SAB – via Zoom
- 17 February: Meeting with WG and Livestock Information Board (JP and GJ) – via Teams
- 19 and 20 February – HCC Board Candidate Interviews – with Panel – in person
- 24 February – Joint meeting of the 4 nations Levy Boards (LMC, AHDB, QMS and HCC) – In person (London)
- 25 February – NFU Conference – London
- 6 March – Meat Business Women Food Business Charter Event – London
- Meetings with Executive &/or WG as required throughout the period.

Jack Evershed chaired the meeting from this point.

2. Apologies for absence

Apologies were noted from Gareth Jones (HCC), Russ Thomas (HCC); Jason Craig (HCC) and Maria Richards (Welsh Government).

3. **Declarations of Interest**

There were no declarations of interest.

4. **To approve the minutes of the meetings**

a. Board meeting held on Thursday 9 January 2025

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

b. Board update meeting held on Thursday 6 February 2025

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

5. **Matters arising**

Board appointments

It was noted that the process had completed, and two appointments had been made, to start on 1 April 2025. An announcement will be made shortly.

Multi-Species Wales

It was noted that this has been delayed until 2026.

Future funding opportunities / Sustainable Land Management Framework

It was noted that the work with the Welsh Government to support the SLM was nearing completion. Papers have been prepared looking at grazing management options and sheep genetics.

Regarding future funding, HCC had met with Welsh Government Food Division, Farming Connect and Lantra to start discussing opportunities and access to funding.

Sexual Harassment Policy

The policy had been approved. Plans for staff training were ongoing.

Welsh Red Meat Levy Rates 2025-26

The proposed levy rates had been approved by the Welsh Government. Communications to the industry were being prepared.

All other matters arising were covered on the agenda.

6. **Presentation on HCC's PGI Welsh Beef Campaign 2024-25**

The Brand Engagement Lead presented the above and provided an overview of the campaign including the objectives, messaging, media strategy and channels used.

The key campaign results were highlighted. Overall, metrics such as brand awareness and logo recognition remained relatively static compared with 2024 results but were still higher than in 2023 for most measures.

In conclusion, it was noted that the multi-channel approach had been effective and had kept awareness relatively static, remaining above previous digital only campaigns. The reduced campaign budget was starting to have an impact on results. If budgets remain

static, different campaign strategies will be needed.

7. **HCC Reports**

a. *Delivery report and forthcoming events*

The above was taken as read and key points highlighted by the Leads;

Sustainability & Future Policy –

- The Beef and Lamb roadmap had been launched in February;
- A Meat Minds group session had been held to look at the results of the consumer survey and to visit an Anglesey beef farm;
- The Water Usage survey will remain live for two more weeks. It has had a reasonable uptake to date;
- HCC will be carrying out baseline environmental work on eight Welsh farms over the next 12 months, as part of a wider UK project in co-ordination with AHDB.

Strategic Marketing and Connections –

- Consideration was being given to how the Welsh Lamb campaign will be run for 2026;
- A survey was being carried out with Porc producers to inform how HCC can best support them;
- There had been good PR following on from the meat and health survey and the HCC Conference;
- A Supper Club will be held for the media at the end of March, focused on everything Welsh Beef.

Producers and Processors -

- BVDCymru has been established, and HCC is on the working group;
- Regarding Bluetongue, there has been no change in the situation in Wales. Discussions are taking place on management plans for the longer term.

It was queried whether the life cycle analysis work had been completed and when the Board may have sight of the results. This will be followed up.

Action: Producer and Processor Lead

b. *Financial – Management Accounts to 31 January 2025*

The report was taken as read.

It was noted that the report depicted a very good outturn position following a difficult twelve months. The Board commended the HCC Executive and wider team for achieving this position.

8. Information Sharing

a. Market Bulletin Summary – February 2025

The report was taken as read.

b. Impact of Trump Tariffs

The report was taken as read.

c. HCC Farmer Intentions Survey Results – Further Analysis

The report was taken as read.

d. Welsh Lamb Campaign – Nectar Cards Sales Results

The Brand Engagement Lead presented the above.

The Sky ADSmart campaign for Welsh Lamb ran from the 1 September to 31 October 2024. The objective was to grow the category of Welsh Lamb in Sainsbury's stores in their Taste the Difference range which is all Welsh Lamb across the UK.

Overall, this was a successful concept, and further opportunities of this sort are being looked at.

9. Corporate

a. Draft Operational Plan 2025-26

The paper provided an updated final draft of the 2025-26 Operational Plan including proposed budget allocations and key performance indicators for consideration.

The Producer and Processor Lead went through the KPI's to be delivered. Overall, the aim was to keep KPIs consistent to track progress. Any changes from the 2024/-25 plan were highlighted.

The Board noted the Plan, with the KPIs to be confirmed to be completed at the appropriate time.

b. Budget Forecast 2025-26

The report was taken as read and the key assumptions noted.

The Board approved the proposed budget forecast for 2025-26

10. HCC Committees

Audit & Risk Committee

a. To receive a verbal report of the Committee held on Friday 6 March 2025

The Committee Chair provided a verbal report of the meeting. Key points highlighted were;

- External audit - Audit Wales will bring a detailed audit plan for 2024-25 to the Committee meeting in June 2025. Audit Wales will aim to undertake the final work to close the accounts in October for approval at the November 2025 Board meeting. Fees will be discussed in June.
- Internal audit –
 - 2024-25 Audit Plan: Two reviews had been concluded, one is nearing completion, and one is ongoing. All reviews should be concluded and reported to the Committee in June 2025. The findings of the Budgetary Control audit

- were generally very positive with nothing to report;
- Management actions: An update on progress was provided. The Committee discussed the longer timescale proposed for undertaking succession planning for all HCC key/critical roles. It was agreed to report progress at the June 2025 meeting;
- 2025-26 Audit Plan: The final draft audit plan was presented. There had been no changes, and the plan was approved by the Committee;
- Two key HCC policies, the Workplace Monitoring Policy and the Acceptable Use of Information Technology Policy were presented. Both were approved by the Committee;
- Risk Management –
 - A well-structured and easily understood report was presented. Work to consider the merits of implementing a cloud-based risk and business assurance management information system is ongoing. An update will be provided at the June 2025 meeting;
 - The Committee discussed the risk appetite assigned in relation to Health and Safety and Financial Fraud, both assessed as 'Cautious'. It was debated whether this should be 'Minimal'. The Head of Finance and Corporate Governance will reassess accordingly and report to the May 2025 Board meeting;

Draft Framework Agreement

The report was noted by the Board.

The Committee recommended to the Board that the 'Framework Agreement' is signed by the Accounting Officer subject to the proposed narrative being agreed and incorporated. The Board approved the recommendation.

Principles for the Publication of Board and Audit Committee Meetings

The report was noted by the Board. It was noted that HCC is compliant with the principles.

The Committee recommended to the Board that the principles are adopted. The Board approved the recommendation.

Sustainable Innovation & Research Group

b. To approve the Minutes of the Group held on 19 September 2024

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

c. To receive a verbal report of the Group meeting held on 16 January 2024

The Group Chair provided a verbal update. Key points highlighted were:

- The meeting had been held on-farm in Brecon and was well attended;
- An update was provided on key HCC appointments;
- All members provided an update on recent relevant activities and information in their areas / businesses;
- HCC provided an update on R&D projects;
- The HCC Market Development Lead outlined the work of the market development team, focused on export and the role of R & D and innovation in underpinning the marketing strategy;

- The UK Agtech Centre gave an update on their funding streams and the farms network.

The issue of the recent media coverage of the use of Bovaer by dairy farms was raised, and a discussion was held on whether HCC should comment on the industry's behalf in circumstances like this.

It was noted that this principle had been raised with levy boards and an action taken to collectively discuss and, if deemed appropriate, issue a joint communication when issues of this kind arise. This will be followed up to develop a plan going forward.

Action: CEO / Head of Promotions and Operations

11. Forecasting Consumer Demand to 2030 – Kantar presentation

Kantar provided a comprehensive presentation on the above, including the wider market and economic context, trends and drivers and what that means for the future of consumer spending, drivers of performance and current and future trends of primary red meats (PRM) and red meat cuts.

In summary the presentation concluded that inflation / spending power is likely to remain a key driver of performance. Key points included;

- PRM volume has fallen and is expected to continue to see a slow decline as price rises continue, however there may be more volume recovery in the aftermath of COVID/Cost of living crisis if inflation slows more;
- Wales will likely follow the GB trend but may see a slightly slower recovery in spend growth;
- Mince will likely be one of the few cuts to see some volume growth as consumers continue to trade down to cheaper, convenient cuts.

The Board thanked Kantar for the insight and discussed the information presented. Further analysis was requested to determine what the mince penetration in the GB population was today and to analyse the relationship between the current prime cattle deadweight prices and beef cut prices at GB retail.

Action: Intelligence, Analysis and Business Insight Executive

12. Any other business

None.

13. Dates of forthcoming meetings

Board Teams update - Thursday 10 April 2025 at 9.30am
Board Meeting – Thursday 8 May 2025 at 10.00am

HCC Board Closed Session

A separate and confidential meeting of the Board followed.

Signed..... Chair of HCC