



(HCC 387)

**Minutes of a meeting of the Directors of Hybu Cig Cymru held at
10.30am at Tŷ Rheidol, Parc Merlin, Aberystwyth on Friday 4 March 2011**

Present: Dai Davies (Chairman)
John Brereton, John Collins, Huw Evans, Rhodri Evans,
Alan Gardner, Will Haresign, William Jenkins, Nic Lampkin,
Graham Probert, Glyn Roberts, Wyn Williams and John Yeomans

By Invitation: Wynfford James (WAG)
Lionel Walford (WLB)

In Attendance: Gwyn Howells (Chief Executive Officer - CEO)

Sion Aron Jones (Industry Development Manager)
Bryan Regan (Corporate Services Manager)

Lynfa Davies (Technical Development Executive) – Item 8
Julie Davies-Jones (Secretariat)
Kirsten Smith (Red Meat Executive).

1. **Apologies for absence**

There were no apologies received.

2. **Declaration of Interests**

Board Members John Brereton, Huw Evans and Wyn Williams declared an interest on discussions pertaining to credit control.

3. **To approve and adopt the minutes of the Board meeting held on Friday 21 January 2011 (HCC 373)**

The minutes of the Board meeting held on Friday 21 January 2011 were taken as read, adopted and signed by the Chairman.

4. **Matters Arising**

Proposed increase in Welsh Red Meat Levy Rates

The Chairman of the Welsh Levy Board, Lionel Walford, informed that communication had been received from the Minister for Rural Affairs confirming her full agreement with the Welsh Levy Board's recommendations relating to the increase in Welsh Red Meat Levy rates with effect from 1 April 2011.

Given the above, HCC would proceed with notifying the industry accordingly.

Inclement Weather

A response had been received from the office of the Chief Veterinary Officer (OCVO) in relation to the issue raised at the previous Board meeting on the impact that inclement weather had on the operation of livestock markets and the red meat supply chain.

It was noted that during the last period of inclement weather, risk assessments had been undertaken in Scotland, England and Wales. In Wales, it was considered that in order to safeguard against the spread of disease that the cleansing and disinfecting of premises and vehicles at livestock markets must be conducted before a gathering of animals could take place. Therefore, livestock markets were expected to close should water supplies not be available.

It was agreed that this issue should be discussed further between the LAA and the OCVO, WAG.

EID

It was noted that arrangements were in hand for an industry meeting during mid April 2011 to discuss concerns relating to EID.

HCC Press Releases

The Board were advised to contact the Communications team directly should problems continue with receiving HCC press releases via email.

5. **HCC Reports**

a. Activities Report (HCC 374)

The above was taken as read.

In addition to the content within the report, the Board were updated on the following:

Market Development

Export Activity – China

Arrangements were in hand for HCC's participation in a business delegation visit to China from 20 – 24 March 2011.

The mission visit was being led by Mr Dacian Ciolos, the EU Commissioner for Agriculture and Rural Development and would include representatives from various Protected Food Name holders.

During the mission, a series of meetings would be held with professionals within the food chain along with promotional / press events and visits to major retail and wholesale chains.

The Market Development Manager would be representing HCC as part of the delegation.

To further develop business opportunities, it was noted that the WAG's Food and Market Development division were organising a visit for Chinese buyers to the Wales pavilion during "IFE", London (UK's largest food and drink trade event) be held during March 2011.

Industry Development

Farming Connect Red Meat Development Programme (FC RMDP)

The Industry Development Manager highlighted that the procurement process for Farming Connect work was underway with requirements advertised on www.sell2wales.co.uk. New contracts would be issued from September 2011 and would expire at the end of the Rural Development Plan period during 2013.

Work had commenced on the tender documentation that would be submitted by the deadline of 21 April 2011.

NSA Cymru Sheep 2011

HCC had agreed to provide support to the above event that would be held in Maesllwyni, Maesterran, Penegoes, Machynlleth on the 18 May 2011.

The Industry Development team would be present at the event focusing on parasitology and would also highlight the outcomes from the Lambing Losses project.

b. Market Bulletin (HCC 375)

The above was taken as read.

c. Financial Papers

Income and Expenditure (HCC 376)

The above was taken as read.

The Corporate Services Manager provided a verbal update on accounts up to the end of December 2010.

It was noted that figures indicated an anticipated surplus by the end of the financial year, 31 March 2011.

Balance Sheet (HCC 377)

The above was taken as read.

d. Forthcoming Events (HCC 378)

The above was taken as read.

6. **HCC Business Plan 2011 - 12**

a. To note the summary of changes to HCC's draft Business Plan arising from the 21 January 2011 Board meeting (HCC 379)

The above was taken and approved by the Board.

b. To approve HCC's Business Plan for 2011 – 2012 (HCC 380)

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

7. **To consider a draft of HCC's Corporate Plan 2011 – 2014 (HCC 381)**

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

8. **To consider a draft of the Welsh Red Meat Environmental Roadmap (HCC 382)**

The above was taken as read and well received by the Board.

The draft document was presented by Lynfa Davies, HCC's Technical Development Executive.

The Welsh Red Meat Environmental Roadmap focussed on beef and sheep farming in Wales and investigated how livestock farmers in Wales could achieve a reduction in greenhouse gas emissions whilst at the same time improving their profitability and sustainability.

Next steps

The draft document would be updated to include comments from the Board. Following this, the document would be shared with relevant colleagues at the WAG and a final draft presented to the Board for approval at the 6 May 2011 meeting.

It was anticipated that following Ministerial approval, the document would be launched during July 2011.

9. **Board Appointments**

To receive:

a. A paper outlining HCC's Board Replenishment Policy (HCC 383)

The above was taken as read and summarised for the Board by the CEO.

It was noted that as an outcome of the Board evaluations undertaken by the previous Chairman, Rees Roberts, that all existing Board Members were deemed to have performed satisfactorily within their roles.

Given the above, a recommendation had been made to the Minister for Rural Affairs that all Board Members who had expressed an interest in continuing on the Board be offered the opportunity of re-appointment for a further term of 1 year, up to the 31 March 2012.

With a view of ensuring that the Board had a continually developing membership going forward, it was proposed that as from 1 April 2012 a policy be adopted whereby Board Members would be replaced on an ongoing basis.

From the 1 April 2012, Board Member appointments would be three years in duration.

The policy would ensure that business continuity was maintained as a percentage of the Board would be recommended for re-appointment.

Following round table discussion, the Board Replenishment Policy was adopted by the Board.

b. A framework document for the Appointment and Review of Non-Executive Directors of HCC; Self Assessment and Review of Performance; Evaluation form for Non Executive Directors (HCC 383a)

The above papers were taken as read adopted by the Board.

Board Member – Prof Nic Lampkin

It was noted that that due to changes in personal circumstances and work commitments, Prof Nic Lampkin had decided to decline the invitation to be reappointed as a HCC Board Member for a further 12 months.

The Chairman, on behalf of the Board and Executive, thanked Prof Lampkin for his contribution, commitment and professionalism during his tenure as a HCC Board Member and wished him well for the future.

10. **To receive a verbal report and adopt the minutes of the Audit Sub Committee meeting held on Friday 18 February 2011 (HCC 384)**

Item withheld – commercial in confidence.

11. **To adopt the minutes of the R&D Sub Committee meeting held on Wednesday 1 December 2010 (HCC 385)**

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

12. **To receive a verbal report of the R&D Sub Committee meeting held on Wednesday 16 February 2011**

The Chairman gave a verbal update on the R&D Committee meeting held on the 16 February 2011.

13. **To approve the proposed membership of the HCC R&D Sub Committee (HCC 386)**

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

The proposed membership would be invited in due course.

14. **Any other business**

Red Meat Industry (Wales) Measure 2010

It was noted that work was ongoing on the Statutory Instrument relating to the above.

Protected Geographical Indication (PGI)

As guardians of the Welsh Lamb and Welsh Beef PGI Designations and to continue with good housekeeping, the CEO recommended that the Board agree for HCC to undertake a procurement exercise for appointing an independent certification body to administer the inspection and certification process relating to the PGI schemes. The current service providers were National Britannia.

Following discussion, the Board agreed that it would be appropriate to undertake a procurement exercise for the provision of PGI designation inspection services.

Pigs

It was noted that HCC were currently working on an application for “Welsh Pork PGI”. The application would be presented to the Board for consideration in due course.

It was agreed to highlight that the costs of production relating to pigs (particularly feed and energy crops) had escalated significantly in recent months and were impacting on the profitability and future sustainability of the pig herds.

To receive a verbal report of the Remuneration Sub Committee meeting held on Friday 4 March 2011

Item withheld – commercial in confidence.

15. **Date of next meeting**

The next Board meeting would be held on Friday 6 May 2011.

Signed.....
Chairman of HCC