



Hybu Cig Cymru
Meat Promotion Wales

Hybu Cig Cymru - Meat Promotion Wales

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21 October 2024

FAO: Paul Davies, Chair of the ETRA Committee

Dear Paul,

Hybu Cig Cymru Operations and Delivery

I would like to thank you again for your time on Wednesday 25 September to meet with myself, Interim CEO Heather Anstey-Myers and HCC's Communications and External Affairs Lead Anne Dunn. I thought it was a frank and productive discussion and I hope the information shared affirms that Hybu Cig Cymru is delivering its objectives as per its statutory remit.

For clarity and reference, I have outlined a brief overview of what we discussed. If you have any further questions, please don't hesitate to contact either myself or relevant HCC staff.

Ceo Disciplinary Process

Regarding the disciplinary process involving former HCC CEO Gwyn Howells, the Board of Hybu Cig Cymru unanimously accepted the recommendation of an independent disciplinary process that its former CEO, Gwyn Howells, would have been dismissed for gross misconduct had he not resigned.

Mr Howells resigned immediately prior to a disciplinary hearing, which followed a thorough investigation. Both aspects were conducted by specialist, independent HR experts who were supported by legal advice.

The Board decided that the seriousness of the matter necessitated that the disciplinary officer should be allowed to deliver a final report to conclude the process properly.

That report concluded that there was sufficient evidence of gross misconduct on three separate counts related to Mr Howells' management and leadership.

The Board has accepted all recommendations from the specialist HR and legal advisors throughout the process.



Governance And Internal Matters

The process outlined above and other internal staffing matters, which as explained, are confidential for legal reasons, and to also ensure we comply with our own dignity at work policy, are strands of work the Board and the Senior Executive take tremendously seriously.

I firmly believe that the governance and culture of any organisation can always be improved, and we intend to achieve that through a resolute commitment to work tirelessly with Welsh Government officials to proactively review, adapt and learn from what has been a challenging period.

As a result of matters identified, HCC has committed to reviewing all governance procedures and is also working closely with the staff to identify ways of creating meaningful, long-lasting, positive change that will allow the organisation to continue to deliver, at the level of excellence levy payers expect.

We're are grateful to the interim CEO, Heather Anstey-Myers, for her insightful, strategic leadership since her appointment in January and the Board continues to fully support her.

We appreciate Heather and the senior leadership team's work in supporting our committed and exceptional staff. The Board has nothing but admiration and praise for the employees of HCC who've shown their resilience, focus and determination to deliver for levy payers throughout an unsettling period of change.

The Board have always been clear that our staff are our biggest asset and we are doing everything we can to support the health and wellbeing of our team. As an organisation we are committed to a journey of continuous improvement and we will work with our dedicated staff to deliver impactful and constructive changes.

There isn't a final destination, this work will be on-going and continuous, ensuring a vibrant future for our staff, the industry and HCC as an organization.

Ceo And Board Recruitment Process

The Board unanimously agreed that it's critical to commence swiftly with a process to recruit and appoint a new CEO. This process, which will be conducted in conjunction with Senior Welsh Government officials, is underway and candidate packs will be published shortly.

New Board Members are, of course, Ministerial appointments, and HCC is actively supporting Welsh Government with recruitment procedures. In the meantime, the organisation's work continues at pace, supported by a Board of Directors, intrinsically linked to the sector that it serves and with significant levy payer representation.

VAT

As we discussed during our meeting, HCC continues to deal with complex on-going budgetary issues including the outcome of HMRC's decision to change our VAT status from the 1st of April. We are not the only levy body to be affected in this way.

However, HCC remains firmly focus on our priorities of delivering value for money to levy payers and promoting our red meat industry in Wales, across the UK and throughout the world.



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HCC Delivery

HCC has extensive plans for the coming year and these, along with key success measures from the last 12 months, are now outlined in an attachment to this letter for your information.

For ease of reference and for transparency, HCC Summary Board Minutes can be accessed here: <https://meatpromotion.wales/en/about/corporate-information/hcc-board/summary-minutes>

And HCC's financial reports can be accessed here: <https://meatpromotion.wales/en/about/corporate-information/publications>

These details present a brief snapshot of some of the work that is being delivered on behalf of levy payers and a rigorous stakeholder engagement program is being further developed.

I would like to reiterate our open-door policy and we would be delighted to meet you again before the end of the year to provide further details relating to the recruitment of a CEO, the 2 Board member vacancies and wider red meat matters.

Yours sincerely,
Catherine Smith

Catherine Smith
Chair of the Board / Cadeirydd y bwrdd



Addendum: HCC Delivery Highlights

Market development and trade

- HCC is working hard for levy payers and in line with our strategic objectives and the current vision document. For example - developing markets were a key focal point this past financial year.
- In particular, the GCC (Gulf Cooperation Council countries); the Far East and the USA. Supply has this year reached all of these markets and focus is now on further development during 2024.
- HCC also enabled re-entry into the Japanese market by two Welsh processors.
- Our export team and supply chain experts attended a series of valuable key events that are expected to realise lucrative returns in the coming year, including Anuga, rated the top food and beverage trade show in Europe and Gulfood 24, where activities off stand included presenting PGI Welsh Lamb at the UK embassy in Dubai as part of a St David's Day celebration gala and an Embassy dinner for retail buyers and processors.
- HCC also attended Foodex Japan in Tokyo and AMC in Nashville and will be attending SIAL in October 2024.
- Alongside these key shows, HCC delivered an array of successful promotional activities to support key export accounts across our established, developing and new markets.

Sustainability and Policy / Research and Development

- Membership of both the Global Roundtable of Sustainable Beef and the Global Meat Alliance were utilised and ensured that HCC contributed to a worldwide dialogue for sustainable red meat production and environmental data capture.
- The keynote strategic guide- Vision 2025- was renewed and refreshed, enabling swift, effective and co-ordinated industry responses to the new challenges and opportunities that were brought into play.
- Later this year, HCC will begin the process to produce a successor to the seven-year-old main strategy in association with all stakeholders across the supply chain in Wales.
- Furthermore, HCC continued to integrate and enmesh sustainability principles throughout all of its activity, extending its work during 2023 as a thought leader regarding sustainable food production and land management.
- It further developed its data-driven and evidenced-based position on sustainability to assist, promote and guide the industry through an ever-challenging and evolving context.
- HCC also continued to promote its well-regarded sustainability routemap, The Welsh Way, and to focus on the concept and practicalities of a total environmental footprint.
- HCC worked with SAC to undertake a Life Cycle Analysis (LCA) for Welsh Lamb and Welsh Beef to understand associated greenhouse gas emissions from farm to pre-packaging at the processor and secured external funding via the Arfor Challenge Fund project for researching the decarbonising of PGI Welsh Beef, a 12-month deep dive involving Welsh speaking beef farmers within Carmarthenshire and Ceredigion.
- Work on the continued evolution of the provenance-based GI Welsh brands included the five environmental metrics- carbon, biodiversity, water, soil health, and air quality- that reflect the total environmental footprint of The Welsh Way of producing red meat.



- A biodiversity baseline was published in 2023. As well as its' The Welsh Way undertaking, HCC partnered with other UK sector partners on an industry-led beef and lamb roadmap to net zero brief.
- For more than twenty years, HCC has been the guardian of industry sustainable growth and development and has championed farm efficiency improvement. Farm efficiency was the cornerstone of the HCC's pioneering 5 year Red Meat Development Programme, which was funded by Welsh Government and concluded in 2023. HCC is now building on this crucial legacy for the benefit of its levy payers, through the AberInnovation Solutions Catalyst project to further areas of work linked to Welsh Lamb eating quality.
- The facilitation of a landscape to enable innovations, opportunities and new and novel techniques that support the red meat industry in its productivity, meat quality, environmental and economic goals is a vital part of HCC's mission and the basis for its Research and Development (R&D) work.
- The backbone of this work is the long-established and continuing collaborative research activity with universities and other leading partners and the R&D work also helps to underpin the sustainability credentials on which marketing activity can be based.
- New this year was the HCC Sustainable Innovation Research and Development Working Group which is comprised of key actors in the academic world as well as stakeholders along the red meat supply chain to progress future R&D initiatives.
- We are rolling out, developing and delivering the pioneering Meat Minds, a 12-month programme bringing together young people across the supply chain together.

Marketing and Communications

- We continue to work with practitioners in the sphere of Health and Education on an annual basis to highlight the importance of red meat in a health balanced diet. A new set of animated videos following the Welsh farm to fork journey, produced by Hybu Cig Cymru – Meat Promotion Wales (HCC), has been launched in 2024 to help educate the next generation and promote PGI Welsh Lamb, PGI Welsh Beef and Pork from Wales. More information can be found on HCCs work here:- <https://redmeathub.wales/gb/en/health-education/education-resources/>
- In addition to this work our team has also worked tirelessly on market development, trade, brand development, industry development projects and attended various industry events.
- HCC's PGI Welsh Lamb and Beef campaigns produced phenomenal results in 2023.
- For the **Welsh Lamb campaign**, running between August and October 2023, the campaign employed a mix of TV advertising and more tactical implementations, such as out of home advertising in the vicinity of key retailers where the product was available in store. Activities reached over 3 million target consumers, and delivered just under 24 million impressions across England and Wales. The campaign period also saw a dramatic increase in web visits, with just over 230,000 people visiting the site over the 3-month period. All this resulted in a considerable uplift in brand awareness of 26% and propensity to purchase Welsh Lamb by 7% which brought trust in the brand over competitor brands. Additionally, as a result of targeted advertising around key locations, the campaign saw a 10% uplift in footfall to a major retailer in England stocking the product.
- The **Welsh Beef campaign** ran from November 2023 to the second week of January 2024 and included sweeping landscape footage and photography from the three farms across Wales. A television advert featuring Ben and Ethan Williams was featured on S4C whilst radio adverts were scheduled with Smooth Radio in November and December. Outdoor advertising was also featured at locations around Cardiff City during the Six Nations tournament whilst digital advertising took place across Facebook, Instagram, X and TikTok. The campaign also featured seasonal recipes for the



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winter and Christmas periods using high-value cuts and joints and promoting Welsh Beef as a high-quality and delicious festive choice. Over 1.5million people were reached through all the aspects of the campaign and there were over 40,000 clicks on Welsh Beef social channels and webpages. Results from the campaign further show that 85% of adults in Wales were aware of the Welsh Beef brand and their willingness to purchase increased by 21 percentage points, demonstrating a positive impact from the advertising.

- The 2024 campaigns are posed to build on this success, with the 2024 PGI Lamb Campaign launched in July and the PGI Welsh Beef Beef campaign scheduled to start ahead of the crucial festive season.
- HCC's Welsh Lamb campaign 'Uniquely Welsh – Experts in their Field' has been listed as finalist in the Drum Awards and was also shortlisted for the CIPR Excellence awards and PRCA Dare Awards – all of which is a credit to the expert work our teams carry out on behalf of levy paye