

**MINUTES OF THE FOOD AND DRINK WALES INDUSTRY BOARD**  
**28 September 2016**  
**Welsh Government, Llandrindod Wells**

**IN ATTENDANCE**

Andy Richardson (AR)  
Norma Barry (NB)  
Catherine Fookes (CF)  
Justine Fosh (JF) (by telephone)  
Alison Lea-Wilson (ALW)  
David Lloyd (DL)  
Katie Palmer (KP)  
Marcus Sherreard (MS)  
Huw Thomas (HT)

Officials

Keith Smyton (KS) (until noon)  
David Morris (DM)  
Suzanne Pomeroy (SP)  
David Lloyd-Thomas (DLT)  
Rhodri Asby (RA) (until 10.30am)

**APOLOGIES**

Justin Scale  
Andrew Slade  
James Wilson  
Buster Grant  
Annitta Engel

**Item 1: Welcome – Chair**

- Chair welcomed everyone to the meeting, explained changes in officials, and noted apologies
- Members briefly discussed the planned December stock-take review covering the Cabinet Secretary's request for a report on what the Board had accomplished and refreshing the Board's membership.

**Item 2: Minutes of the 30 June 2016 meeting**

- The minutes were noted and accepted as an accurate record.

### **Item 3: Delivery Dashboard and Industry Dashboard**

- DM outlined the purpose and content of the dashboard which is to outline activity planned and completed in a standard way. Good progress has been made with the programme in good shape overall and a strong track record.
- The Chair explained that the Industry Dashboard had been prepared to give members simple, overview material to help them communicate the Board's work to a wider audience.

### **Item 4: Transport Initiative**

- DM reported Welsh Government discussions with Intercity Railfreight Ltd about the potential to use passenger trains to transport food products from Wales to London. Such initiatives were already in place in the south west, the midlands and eastern England. The concept offered opportunities to access the potentially lucrative London market, with rapid within-day transport of ambient, frozen and chilled products, using existing trains and the added selling point of low / zero carbon delivery to / from the station. A related initiative 'On-line Train TV' was being developed to profile and promote food products and businesses to passengers during their journey, which had the potential to also provide a new sales channel through on-train ordering and collection on arrival.

### **Item 5: Brexit**

- RA provided the Board with an overview of how the Welsh Government was organising itself to prepare for Brexit negotiations. A specific team was in place to support the Cabinet Secretary, within a wider structure across the Welsh Government. The team's role is to provide support for existing policy and delivery teams and co-ordination. Work on scoping impact, both risks and opportunities, had commenced. The Cabinet Secretary had held two 'round table' events with stakeholders, followed by four more detailed workshops. A further 3 October workshop will distil these points to produce a first statement of implications, risks and opportunities.
- Board members were concerned that there was good communication with industry and that the position of Wales within the wider UK was taken account of well and clearly.

### **Item 6: Business and Investment Workstream**

- HT reported that the 2 November conference preparations are well advanced with keen interest from high level delegates including strong representation from the banks. The conference will focus on

innovation and investment, seeking to identify gaps which investment could fill to further innovation.

### **Item 7: People and Skills Workstream**

- JF and DL jointly presented a paper summarising work to date. The workstream aimed to identify solutions to gaps (short and medium term) where industry skill needs are not met. Initial focus was on the dairy and bakery sectors, with meat to follow. Emphasis is being placed on finding collaborative solutions between and amongst businesses and training providers, and finding solutions to barriers to student recruitment (eg bursaries, working with careers officers, involving schools, using recent students as ambassadors, creating new conversion courses to open new recruitment avenues). A Skills Conference is planned for early 2017.
- Members noted the cross-cutting nature of the work and were keen that there was widespread support and action from across the Welsh Government.

### **Item 8: Customers and Markets Workstream**

- CF explained that the workstream is focussed on three themes: a gap analysis around retailers and food service; export performance; the use of information in identifying trends, developing networks and helping producers maintain or develop their presence in large retailers. The workstream is keen to find and promote success stories in all of these and joint working with Levercliff is important in respect of this to add value, as are good links with the 'clusters' programme and tourism.

### **Item 9: Hybu Cig Cymru**

- Dai Davies (Chair) and Gwyn Howells (CEO) gave a presentation about HCC's role and the market position for Welsh Beef and Welsh Lamb. HCC had led development of the 'Red Meat Industry Strategic Action Plan' which set medium term goals for improving industry performance. The overall strategy is to position both products in the market as high quality products of good provenance, rather than to attempt to compete on price with imports. In response to points from Board members, HCC explained that it was developing a sub-brand policy in which sub-brands would be positioned to support and reinforce the main Welsh Lamb brand. The nature of UK market demand meant that more work was needed to develop stronger markets for less popular parts of the carcass – developing opportunities in the food service sector was thought to be a good solution.

## **Item 10: Communications & Engagement Work Stream**

- KP's update noted the lack of capacity within the Board and the Food Division to undertake additional work and the advantage of co-ordinating efforts. The Board wanted Food Division's quarterly newsletter to include short pieces by the Chair and the Cabinet Secretary.
- DM informed the Board about the Welsh Government's new approach to branding which meant that one standard brand would be applied to everything.

## **Item 11: Wales Retail Council**

- Sara Jones gave members an overview of the WRC's role and work. WRC members are automatically members of the 255 member strong British Retail Council whose food members serve 90% of the food market and include all the large food retailers. Present issues for the WRC/BRC membership were tightening trading conditions resulting from increasing costs, the on-going move to on-line rather than high street shopping, and squeezed consumer spending power. Shop vacancy rates are higher in Wales than the UK.
- To address challenges and chart future direction, the WRC is preparing a plan over the coming 12-18 months which is likely to include action to reduce food waste, improve the labelling and health value of products, and to strengthen supply chain relations.
- WRC/BRC members are concerned that the Welsh Government has decided not to invest apprenticeship levy income into the retail sector because the sector is not one of the Welsh Government's declared priority sectors.

## **Item 12: Live issues - NHS procurement**

- Jessica Bearman and Matthew Harray jointly presented an overview of the NHS Wales Shared Services Partnership which aims to drive procurement amongst all eight Welsh health boards. There are currently 20+ all Wales food contracts in place and the policy is to tender 'all Wales' contracts through 'Sell to Wales' as old contracts expire. The contract for meat is next, followed by dairy. Tenders are created to allow smaller, and local or specialised suppliers to bid to supply specific items rather than the whole contract, the goal being to encourage creative approaches between suppliers. NHS Procurement is not part of the National Procurement Service but there is close working between the two. NHS Procurement was keen to have the Board's advice about potential suppliers, supplier engagement, contract planning, and the availability of Welsh products.

### **Item 13: Live issues – Lamb initiative**

- MS updated the Board on work led by HCC to increase the shelf life of Welsh lamb. Improvements to finishing and packaging had raised the shelf life from typically 14 days to 35, although it was reported that New Zealand lamb attains around 70 days. Further improvements mostly depend on raising farmer awareness to improve the cleanliness of animals presented for slaughter. However the wet Welsh climate meant that Wales would probably never consistently reach New Zealand's performance because animals were much more likely to be exposed to muddy land.

### **Item 14: Tackling Food Poverty**

- KP presented a school summer holiday initiative underway in five south Wales local authorities to address food poverty in children. The ambition is to expand significantly – out of the total of 22 local authorities 18 have expressed interest in delivering Food and Fun. The Board discussed ways in which the initiative could be supported by the food industry and awareness raised to attract cash and in-kind support