



## **BRITISH HALLMARKING COUNCIL (“BHC”)**

### **2021 CORPORATE STATEMENT**

This Corporate Statement describes the BHC’s functions and aims, its objectives and performance for 2020 and its planned objectives for 2021. It should be read in conjunction with the Framework Document signed by the BHC and its sponsor body the Department for Business, Energy & Industrial Strategy (“BEIS”) in December 2018 (“the Framework Document”).

#### **1 Founding Legislation**

The British Hallmarking Council is established by the Hallmarking Act 1973 (“the HMA”). The constitution of the BHC is set out in Schedule 4 of the HMA. The sponsoring body of the BHC is the Office for Product Safety & Standards (“OPSS”) which is part of BEIS.

#### **2 Classification**

For policy / administrative purposes, the BHC is classified as an executive Non-Departmental Public Body (NDPB). For national accounts purposes, the BHC is classified to the central government sector.

#### **3 Functions and aims**

The BHC aims to protect consumers by:

- Ensuring the adequacy of hallmarking facilities in the UK
- Supervising the working of UK assay offices and their sub-offices, including offshore sub-offices
- Applying and keeping under review the system for applications for and monitoring of sub-offices
- Overseeing proportionate, risk-based regulations
- Overseeing relationships with and between assay offices, trade, consumers, trading standards and government concerning the market in precious metals.

The statutory functions of the BHC are set out in HMA Section 13 and are as follows:

- to ensure that adequate facilities for assaying and hallmarking are available as from time to time required in the UK and supervising the activities of AOs accordingly;
- to take all steps appearing to be open to BHC for ensuring the enforcement of the law with respect to hallmarking;
- to advise the Secretary of State with respect to all matters concerning the application of the HMA including any matter which may be referred to the BHC by the Secretary of State;
- to advise the Secretary of State on: making of orders and regulations under the HMA; amending the law as it affects hallmarking, whether directly or indirectly, including advice as to the application of some or all of the provisions of the HMA to any metal other than gold, silver, platinum and palladium;
- to fix the maximum charges for assaying and hallmarking of articles of precious metal manufactured in or intended for sale in the UK;
- to advise the Secretary of State on any need for the establishment of a further AO or for the closure of, or amalgamation with, another AO;
- to assist those enforcing the HMA by the provision of such technical and other services of the BHC as may be available, to appoint such officers as the BHC considers appropriate to act as inspectors and otherwise for detecting offences and enforcing the HMA by or on behalf of the BHC, and, otherwise than in Scotland, to institute proceedings accordingly;
- to authorise any AO to carry on its business in whole or in part (subject to any conditions which may be specified by the BHC) in such place, whether in the United Kingdom or elsewhere, as may be specified by the BHC additional to the place at which the AO is otherwise authorised;
- to make arrangements (temporary or permanent) whereby facilities specified in any case by the BHC need not be afforded at an AO, but are afforded at another AO or at other AOs;
- to issue directions or regulations to AOs regarding the equipment to be provided and procedures to be adopted in the assaying and hallmarking, as well as directions/regulations on any other of the provisions of the HMA;
- to do anything within the BHC's powers to facilitate the proper discharge of any or all of its functions.

## **4 Review of specific objectives for 2020**

In its Business Plan for 2020 the BHC set out objectives. Owing to the Covid-19 pandemic these were revised during the year and were as follows:

### *1. Transition / Future Trade*

Continue to engage with BEIS discussions on legal, trading and regulatory structures and identify actions for the Council. Develop actions for post transition period, including EU and other countries' requests for recognition.

The BHC continued to engage with BEIS discussions on legal, trading and regulatory structures and to identify actions for the Council.

### *2. Enforcement strategy*

Once the industry is back in normal operation: to continue to develop the enforcement strategy, building on the research carried out in 2019; to continue discussions with Trading Standards to facilitate follow up action where hallmarking law is broken. To develop proposals for a project to protect and promote hallmarking in the UK.

A detailed proposal to develop a wider and deeper enforcement strategy, Protecting and Promoting Hallmarking, was produced but had to be put on hold due to the Covid-19 pandemic. Work on compliance with hallmarking law with online platforms was progressed and relationships established with relevant Trading Standards Primary Authorities. Work was started on a project to increase online retailers' compliance with the requirement to display the Dealer's Notice under s11 of the HMA.

### *3. Education and raising the profile of hallmarking*

To establish, maintain and continue to develop the BHC's new website on gov.uk. To continue the project of promoting hallmarking to consumers alongside the proposals for the project to protect and promote hallmarking in the UK. To put in place new members of the Education & Enforcement Committee to replace retiring members.

The BHC website was maintained during the year. The work of the working group on promoting hallmarking to consumers was incorporated into the strategy on Protecting and Promoting Hallmarking. New members of the Education & Enforcement Committee were introduced.

### *4. Operational integrity*

To maintain oversight of arrangements to ensure the continued integrity of Assay Office operations including sub-offices, working with the Queen's Assay Master as and when needed. To implement the protocols for new sub-office applications. To implement the new system for 5-yearly re-validations of sub-offices. To put in place a new member of the Applications Committee to replace a retiring member.

The Applications Committee worked with the Queen's Assay Master with the aim of co-ordinating activities and avoiding duplication of work. A programme for starting five-yearly revalidations of sub-offices was prepared but put on hold due to the Covid-19 pandemic. A new member of the Applications Committee was introduced.

### *5. Technical consistency*

To update the Hallmarking Guidance Notes when resources are available. To continue with the ongoing review of shared technical hallmarking decisions.

The Technical Committee continued to review the shared database of hallmarking decisions.

### *6. Hallmarking outside the UK*

To oversee final production of the new Dealer's Notice in all formats. To facilitate agreement of shared wording for guidance note and communications by the BHC and the Assay Offices. To oversee implementation of the communications plan.

The updated version of the Dealer's Notice was finalised and publicised.

### *7. Council members*

To provide an induction for three new Council members. To oversee handover of committee roles and activities; to provide induction for those joining committees. To undertake annual appraisals of Council members.

Three new Council members were welcomed at the start of 2020 and inducted. Each new Council member took on responsibilities in committees or working groups, with appropriate inductions. Appraisals of Council members were conducted.

### *8. Governance and administration*

To provide an induction for new Council members and allocate responsibilities. To oversee induction of new committee members. To maintain the full suite of governance documentation and shared information. To ensure the ongoing operation of financial, payroll and data protection procedures. To continue the work of building the database of historic Council decisions and advice. To issue the Annual Report & Accounts on time. To review the Council's Standing Orders to permit alternative means of meeting and making decisions in extreme circumstances such as a pandemic.

All processes continued to be maintained. The Annual Report & Accounts were issued on time. The Council's and all committees' Standing Orders were revised to permit alternative means of meeting and making decisions so that meetings could go ahead without needing to be face to face.

### *9. Regulators' Code*

To review the 2019 audit of the Regulators' Code and implement any actions needed.

This was put on hold due to the constraints on the BHC's work during the Covid-19 pandemic.

### *10. Diversity*

To maintain diversity as a standing agenda item for Joint Assay Office Committee meetings.

Assay Offices' statements on diversity and equal opportunities were shared with the BHC and diversity formed a standing agenda item for JAOC meetings.

## 5 Objectives for 2021

The objectives for 2021 are as follows:

### *1. Future trade with Europe and rest of world*

To host a webinar for the jewellery industry jointly with BEIS and carry out follow up actions. To continue to engage with BEIS discussions on legal, trading and regulatory structures and identify actions for the Council, disseminating information as appropriate. To maintain a list of issues that arise and would merit consideration for potential amendments to the HMA should this become possible.

### *2. Enforcement strategy*

To work with the Trading Standards Primary Authorities for Amazon and eBay to improve compliance with the HMA. To develop and communicate requirements for online retailers to display the Dealer's Notice under s11 HMA together with guidance for retailers and contextual information for consumers. To keep under review the potential for the Protecting and Promoting Hallmarking project to be taken forward. To carry out a programme of online retailer audits through the Assay Offices if resources are available. To run the Touchstone Award for Trading Standards in 2021 if Covid-19 constraints allow.

### *3. Education and raising the profile of hallmarking*

To run a programme for education of brick and mortar retailers on compliance with hallmarking law, for delivery by the Assay Offices. To run a programme of communications with trade bodies and the industry on the legal requirements of hallmarking and display of the Dealer's Notice in physical and online shops, and on enforcement of hallmarking law.

### *4. Operational integrity*

To commence implementation of the programme for five-yearly revalidations of sub-offices, confirming plans for desktop and virtual reviews in light of the Covid-19 pandemic, and to carry out reviews of two sub-offices. To implement protocols for applications for new sub-offices if any new sub-office is proposed. To continue to maintain oversight of arrangements to ensure the continued integrity of Assay Office operations including sub-offices and to work with the Queen's Assay Master to co-ordinate activities.

### *5. Technical consistency*

To issue guidance on partially constructed items of precious metal; to update the Hallmarking Guidance Notes; to continue to review the shared wiki of hallmarking decisions; to continue to keep under review items needing amendment in the HMA.

### *6. The Queen's Platinum Jubilee*

To submit a proposed design for a commemorative hallmark to the Lord Chamberlain's Office in preparation for launch to the jewellery industry.

### *7. Council members and Chair*

To recruit new members for appointment on 1 January 2022. To conduct annual appraisals of Council members and Chair.

### *8. Governance and administration*

To maintain the full suite of governance documentation; to operate financial, payroll and data protection procedures; to maintain the Council's decision log; to plan for handovers and inductions for new Council members to be appointed from 1 January 2022; to continue to hold committee meetings by virtual means; to implement plans for alternating Council meetings as face to face and virtual events as appropriate depending on Covid-19 conditions.

### *9. Regulators' Code*

To review the 2019 audit of the Regulators' Code and identify any actions needed.

### *10. Diversity and inclusion*

To maintain diversity and inclusion as a standing item for discussion at Joint Assay Offices Committee meetings with a view to increasing the current diversity of the Council.

The Chair of the BHC has access to the Secretary of State and the Departmental Minister and officers responsible for hallmarking, as may be necessary from time to time.

The Secretary of the BHC has access to responsible officers, and vice versa, as maybe necessary from time to time.

## **Noel Hunter OBE**

Chair of the British Hallmarking Council

## **Will Creswell**

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30 September 2021