

**BRITISH HALLMARKING COUNCIL**  
**Council meeting 11.00am Thursday 28 April 2022**  
**Via Zoom**

**Minutes of meeting**

**1. Opening business**

Present:

Noel Hunter (Chair)  
Carol Brady  
Ken Daly  
Patrick Fuller  
Joanna Hardy  
Rachel Holloway  
Harriet Kelsall  
Tom Murray  
Gay Penfold  
Isobel Pollock-Hulf  
Matthew Sibley  
Vanessa Sharp  
John Stirling  
Charles Turner

Apologies for absence:

Sarah Langley  
David Reddaway  
Chris Sellors  
Gary Wroe  
Robert Organ

In attendance:

Doug Henry  
Scott Walter  
Will Evans  
Ashley Carson  
Sue Green (Secretary)  
Richard Sanders (BEIS)  
Rachel Bealey (BEIS)

Introduction: The Chair opened the meeting, thanking everyone for their attendance and for their understanding for the meeting being held by Zoom, rather than face to face as had been planned. It had been necessary to change plans due to Covid-19 factors including the difficulties of travel faced by Scottish members, the need to take a precautionary approach due to the prevalence of the virus and the difficulty of managing a hybrid meeting. It was important to meet in person and the intention was to meet face to face in London for the October meeting.

The Chair welcomed two new members:

Sarah Langley was unable to be present due to a pre-existing holiday but would be brought up to date following the meeting.  
Rachel Holloway was welcomed to the meeting and introduced herself.

Declaration of interests:

There were no additional interests declared.

Minutes of previous meeting:  
These were reviewed under item 15.

## ITEMS FOR DECISION

### 2. Chair's report

The Chair highlighted some of the items covered in his report which had been circulated, some of which would be discussed in more detail in later items on the agenda.

Council appointments: A case had been made to BEIS for the reappointments of Joanna Hardy, Gay Penfold and Chris Sellors from 1 January 2023 after the end of their first term. Harriet Kelsall would come to the end of her extended term at the end of 2022 and it had been confirmed that Fakir Osman, who had been interviewed during the last recruitment campaign, would be joining from 1 January 2023. The question of succession planning was raised and noted and this discussion would be taken forward separately.

Enforcement and the BEIS consultation on the white paper on Reforming Competition and Consumer Policy: A meeting was planned BEIS to discuss hallmarking enforcement issues particularly in the context of digital markets, social media and structural changes following the UK's exit from the EU. This meeting would also involve Scott Walter and Ken Daly.

Governance: the Chair noted that a considerable amount of effort goes into the BHC's governance and into compliance with government requirements. This had not distracted the BHC from its priorities, particularly the challenges of enforcement.

Appraisals: a new process would be set up in line with new government guidelines. The Chair would set up discussion meetings with Secretary of State-appointed members. Reviews would include discussions on how the BHC operates.

### 3. Annual Report and Accounts to 31 December 2021 (AR&ACs)

The Secretary took the meeting through the draft AR&ACs, noting the introduction by the Chair, the new wording on risk, the new statement regarding the BHC's compliance with government Functional Standards where applicable, the going concern statement, and items that needed to be kept up to date until the date of signature. The wording for the audit certificate had not yet been received. The laying process was in hand but would be delayed by the issues outstanding with the National Audit Office (NAO).

The meeting reviewed the NAO's audit completion report including the findings of the report, materiality, and the further steps the NAO needed to take before the AR&ACs could be signed off.

**Decision:** The Council agreed to deal with the final approval for signature by email resolution.  
**Action:** (Secretary and Chair) Next stages for AR&ACs approval and signature.

The issue of the disproportionate process of the NAO audit was raised, and the size of its fee relative to the BHC's resources. This issue would again be raised with the NAO. It was noted that other Arm's Length Bodies raise the same issue.

**Action:** (Secretary and Chair) Feedback to NAO re disproportionate audit process and fee.

The Secretary was thanked for the tone and detail of the work done on the AR&ACs.

#### **4. Dealer's Notice and HALO Award**

The Chair introduced this item, thanking Chris Sellors and his team for their work on the HALO Award. Education regarding hallmarking compliance is a very important aspect of the Council's work. The Touchstone Award had kept hallmarking in the eye of Trading Standards, and the HALO Award was designed with a similar purpose for the jewellery industry. Surveys carried out for the BHC had shown that the industry views hallmarking as important and the increase in online retail had made it even more important. The HALO Award aimed to raise the profile of hallmarking in the industry. The new digital Dealer's Notice designed last year with the support of Scott Walter, London Assay Office and the Education & Enforcement Committee, was central to the HALO Award. The HALO working group was working closely with the National Association of Jewellers (NAJ).

The competition was now live on the BHC website and on the NAJ website. The closing date was 1 August and judging would take place in September or October. The Award would be formally presented at the Benevolent Society Ball in December. A salver, similar to the Touchstone Award, had been sourced by Sheffield Assay Office.

In addition to the NAJ's promotion of the award, the Assay Offices would be including flyers in packets sent out to customers, and publicising it via newsletters and social media, encouraging customers to enter and ensuring that all customer facing staff were aware of the competition. It was noted that there should also be coverage in the trade press.

#### **5. Education & Enforcement (E&E)**

Ken Daly introduced his report. Good progress was being made in discussions with a major online retail platform via its Trading Standards Primary Authority and a meeting with them was due in May. The algorithm they had introduced to spot and de-list non-compliant items had been very helpful. The aim was to widen this approach to other online platforms. Scott Walter was thanked for his contribution.

There followed a discussion about possible strategies for education, and for stimulating enforcement work. It was noted that Trading Standards resources had been drastically reduced and their priorities had of necessity been changed by the pandemic. A number of issues were noted for discussion at the next E&E meeting relating to future strategy for the Touchstone Award, links to the HALO Award, possible work alongside prosecutions for trademark infringement, and further press coverage on the insights produced by WRi.

It was noted that the new Museum of London would include a small feature on hallmarking and the Assay Office.

Harriet Kelsall suggested that there might be possibilities to collaborate with the Intellectual Property Office (IPO) on enforcement, as IP breaches may also entail linked hallmarking offences.

**Action:** (E&E Chair) strategy discussion issues to be taken to next E&E meeting.  
(Harriet Kelsall) Possible collaboration with IPO – exploratory meeting to be proposed.

#### **6. BEIS issues**

BEIS report: The report from Richard Sanders of BEIS had been circulated. It was hoped that the reappointments of the three Secretary of State-appointed members who would reach the end

of their first terms on 31 December 2022 would be approved. It was noted that government standards issued for Arm's Length Bodies (ALBs) were designed to cover all of the ALBs and for the BHC the approach would be to comply where applicable, keeping an eye on proportionality, and noting the Comply or Explain reasons. This applied currently to the government's Functional Standards and to the wording of the Framework Document.

A question was raised regarding the BEIS aim towards being carbon-neutral and how this would apply to the BHC. The BHC's primary role in contributing to the BEIS aims was in Enterprise, protecting consumers and stimulating growth. This issue could be taken forward separately, perhaps with the Governance Working Group.

**Action:** (Chair and Secretary) Item for governance working group: discussion of carbon-neutral aims for the BHC.

Framework Document: the existing Framework Document had covered the working of the BEIS / BHC relationship quite effectively. In the current review, a new format from the Cabinet Office had been issued and it was important to align with this as closely as possible. The Chair reminded the Council that this is a public document. The Secretary summarised the points in the Framework Document and some of the issues that had been the subject of discussion in arriving at this draft. Vanessa Sharp was thanked for her contributions to the work on the draft.

**Decision:** the draft Framework Document was approved.

[Ken Daly left the meeting]

Corporate Statement: the Secretary summarised the draft Corporate Statement, noting that this is an annual document, published on the BHC website, which sets out progress in the previous year and actions for the current year. The 2022 objectives had been reorganised into six headings, with Enterprise as the first, and corresponding changes had been made in the Business Plan.

There was a question regarding the webinar for the jewellery industry held in early 2021 and the Secretary agreed to circulate the notes from that webinar.

**Action:** Secretary to circulate jewellery industry webinar notes

**Decision:** the draft Corporate Statement was approved for signature.

## **7. Business plan and budget 2022**

The business plan in its new format had been circulated. The Secretary reported that this was substantially the same as the draft that had been circulated in early 2022 and comments from that circulation had been incorporated. The objectives had been streamlined, covering the same issues but with a new focus on Enterprise in the first objective.

The finance report to 31 March had been circulated. Expenditure was below budget for the year to date, a healthy start to the year.

## **8. Governance issues**

Governance Working Group: Noel Hunter introduced the Governance Working Group, which had been established as an informal group to take advantage of the experience available on the Council to advise on governance matters as necessary, particularly in the light of the volume of

government compliance materials and requirements. Vanessa Sharp and Rachel Holloway were thanked for joining the working group.

Complaints Procedure: the draft Complaints Procedure circulated with the papers was designed to ensure that there is a procedure in place for any complaints of any kind, and aimed to be able to align with Assay Office complaints procedures.

**Decision:** the draft Complaints Procedure was approved.

Conflicts of Interest Policy: the draft policy and proposed related amendment to the Council's Standing Orders had been circulated. The Secretary summarised the approach taken on the draft Conflicts of Interest Policy and the consequent change required to the Standing Orders.

**Decision:** The Conflicts of Interest Policy and the amendment to the BHC Standing Orders were approved.

Code of Conduct for Board Members of Public Bodies: it was noted that this Code of Conduct, circulated with the papers, was an updated version of the Code previously adopted by the BHC.

**Decision:** the Code of Conduct for Board Members of Public Bodies was adopted to the extent that it is consistent with the Hallmarking Act.

Update on risk register and policies: the Secretary reported that the process for assurance mapping against the risk register was due to be taken forward with the Governance Working Group. New procedures would be proposed in relation to issues such as Service Standards (in line with the Regulators' Code audit carried out in 2021), and in line with the Framework Document and risk register discussions. The Governance Overview document would also be reviewed to ensure that it remains up to date.

Appraisals: the Chair reported that new government guidance on appraisals had been issued and the appraisals process for Secretary of State-appointed members would be revised accordingly. The appraisals would be managed in the same way as previously, providing a form for members to complete beforehand for discussion at a one to one virtual meeting. The form and discussion would also cover the performance and effectiveness of the Council as a body so that views on this could be collated and reviewed for continuous improvement. The Chair also reported that an appraisal of the Chair by BEIS would be introduced.

Interim briefing meetings: two interim briefings had been held in 2021 to keep Council members up to date between the Council meetings. Feedback was requested on these meetings and it was noted that they were useful as a briefing to get updates but that longer notice of the date would be helpful.

**Action:** (Chair and Secretary) consult on suitable dates, and allow longer notice of the dates.

## REPORTING ITEMS

### 9. The Queen's Platinum Jubilee

The Assay Masters reported on the Jubilee marks being applied, noting that the Jubilee weekend was approaching and that the Assay Offices were publicising it via social media. There had been a piece about it and LAO in a recent Saturday Times Luxx supplement, which would be circulated. There was comment that more publicity to the trade and consumers would be beneficial and this would be discussed with LAO.

**Action:** (Will Evans and Secretary) circulate Jubilee mark article. [Done]

(Secretary and Chair) Further publicity to the trade and consumers: discussion with LAO

## **10. International Hallmarking Convention and International Trade**

Scott Walter's report had been circulated. It was noted that the membership application by Ukraine had been frozen so that they could progress it as and when they are able to do so.

Assay Office verbal reports on international trade: noted that there continued to be a trickle of clients to the Dutch assay office where the Dutch hallmark could be applied for access to the EU, alongside the CCM mark which also gives access to the UK. UK multiple retailers importing to supply a retail footprint that spans the UK and the Republic of Ireland are unable to import all products directly to the UK without incurring a double VAT and duty charge when they move products to their Irish stores. US companies who had been importing to the UK as a hallmarking and distribution hub for the EU are no longer able to do this without incurring a double VAT and duty charge. It was noted that an All Party Parliamentary Group was currently looking at the impact of the UK's exit from the EU on craft businesses and the BHC had provided input on these issues reported by the Assay Offices.

## **11. Operational integrity**

Applications Committee: Isobel Pollock-Hulf introduced the report which had been circulated. The revalidation visit which had been scheduled for today alongside the planned face to face Council meeting would need to be rearranged. The Applications Committee would be meeting the Queen's Assay Master (QAM) during May and reviewing work with him to avoid duplication whilst noting that his visits do not cover the same ground as the Applications Committee's revalidation visits and so his audit process needs to cover all sub-offices.

Sub-offices reports: the reports on the sub-offices had been circulated with the meeting papers.

The Queen's Assay Master reports: the Chair reported that although the overall summary report (circulated with the papers) had been received, confirming that the Assay Offices were performing satisfactorily, the full reports had not yet been received due to pressure of work. They were expected soon.

## **12. Technical consistency**

The Assay Masters reported that there had been no Technical Committee meeting since the last update to the Council. A further meeting was planned. The working group review of the XRF protocol was continuing and would be brought to the next meeting.

**Action:** (Assay Masters) XRF protocol item for next Council meeting.

## **13. Joint Assay Offices Committee**

The minutes of the March JAOC meeting had been circulated with the meeting papers.

## **14. Assay Office reports**

Reports from the Assay Offices had been circulated.

Risk environment: factors currently contributing to risk included online trading and fluctuating volumes of work. The consequences flowing from the UK's exit from the EU included the lack of an effective means of identifying non-compliant imported items at Customs. The Chair commented that attempts were being made to set up a discussion with the Border Force.

## 15. Closing business

Meeting 14 October 2021: the minutes of the meeting were approved.

Briefing meeting 18 January 2022: the notes of the meeting were approved.

Matters arising:

Open boards scheme: this would be reviewed alongside succession planning for future recruitment of Council members.

Argentium silver: nothing further had been heard.

Regulators' Code Audit: this had been carried out in December 2021.

There was no other business.

Dates of next meetings:

Briefing meeting July 2022: possible dates to be circulated

Friday 28 October 2022, LAO

April 2023, to be held at EAO, date to be fixed

18/19 October 2023, SAO including dinner on the evening of 18 October.

[Noel Hunter left the meeting]

## 16. Chair succession procedure

Vanessa Sharp took the chair for this item.

A draft procedure for election of the BHC Chair had been circulated. This had been circulated previously to the Assay Offices for comment. There was discussion of the issues surrounding eligibility in particular and how the process had worked in the past, which is not currently documented. It was agreed to produce a position paper for future succession setting out the issues for further discussion.

**Action:** Secretary to produce a position paper for future succession setting out the issues.

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## Decisions at meeting

3. Annual Report and Accounts final approval for signature to be dealt with by email resolution.

6. The draft Framework Document was approved.

The draft Corporate Statement was approved for signature.

8. The draft Complaints Procedure was approved.

The Conflicts of Interest Policy and the amendment to the BHC Standing Orders were approved.

The Code of Conduct for Board Members of Public Bodies was adopted to the extent that it is consistent with the Hallmarking Act.

16. Chair succession procedure: agreed to produce a position paper for future succession setting out the issues.

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### Actions from meeting

Item	Who
3 Annual Report and Accounts final approval for signature to be dealt with by email resolution	Chair Secretary
3 Feedback to NAO regarding disproportionate audit process and fee.	Chair Secretary
4 HALO Award Assay Offices promotion of the award Trade press	Assay Offices Secretary
5 E&E: strategy discussion issues to be taken to next E&E meeting.	Ken Daly Secretary Chair
5 E&E Possible collaboration with IPO – exploratory meeting to be proposed	Harriet Kelsall
6 Governance working group to consider possible carbon-neutral aims to fit alongside BEIS aims.	Chair Secretary Governance Working Group
6 Notes from jewellery industry webinar to be circulated	Secretary
8 Interim briefing meetings: Chair and Secretary to consult on suitable dates, and allow longer notice of the dates.	Secretary Chair
9 The Queen’s Platinum Jubilee: circulate the Times Luxx article [Done]	Will Evans Secretary
9 The Queen’s Platinum Jubilee: further publicity to the trade and consumers: discussion with LAO	Secretary LAO
12 XRF protocol item for next Council meeting	Assay Masters
16 Chair succession procedure: agreed to produce a position paper for future succession setting out the issues.	Secretary