

BRITISH HALLMARKING COUNCIL
Council meeting 11.00am Friday 28 October 2022
At the Goldsmiths' Hall Foster Lane London EC2V 6BN

Minutes of meeting

1 Opening business

Present:

Noel Hunter (Chair)
Neil Carson
Ken Daly
Patrick Fuller
Joanna Hardy
Rachel Holloway
Russell Jeans
Sarah Langley (via Zoom)
Tom Murray
Gay Penfold
Isobel Pollock-Hulf
David Reddaway
Matthew Sibley
Vanessa Sharp
John Stirling (via Zoom)
Charles Turner

In attendance:

Doug Henry
Scott Walter
Will Evans
Ashley Carson
Sue Green (BHC Secretary)
Richard Sanders (OPSS, BEIS)

Apologies for absence:

Harriet Kelsall
Chris Sellors
Gary Wroe
Rachel Bealey (OPSS, BEIS)

Introduction

The Chair opened the meeting, thanking everyone for their attendance and welcoming them to the first face to face Council meeting since the start of the Covid-19 pandemic. Members attending via zoom were also welcomed.

Russell Jeans was welcomed to the Council as Birmingham Assay Office Chair and a BAO appointee.

Declarations of interests

There were no additional interests declared.

Minutes of previous meeting

These were reviewed under item 17.

ITEMS FOR DECISION

2 Chair reappointment

The Secretary reminded the meeting that at the Special Council meeting on 22 September 2022 Noel Hunter was reappointed Chair for a three year term from 2 April 2023. The records at BEIS show Noel Hunter's term as taking effect from 7 April rather than 2 April.

IT WAS RESOLVED by a vote on a show of hands to change the effective date for the Chair reappointment to 7 April 2023 and accordingly to amend the previous resolution to the following wording:

That Noel Hunter be reappointed Chair of the Council for a term of 3 years (or any shorter period as the Council may subsequently agree with the Chair) with effect from 7 April 2023

The Secretary reported that the next step would be to set up a working group with a remit to consult on the process for future Chair succession and report back to the Council with recommendations.

Action: Secretary and Chair

Secretary and Chair to set up working group

3 Chair's report

The Chair's report had been circulated with the meeting papers.

Council appointments

Carol Brady, whose term as BAO Chair had ended and who had retired from the BHC, was thanked for her contributions and wisdom throughout her years of service on the Council and on the JAOC.

This was the last meeting of Harriet Kelsall's term for the BHC and the Chair thanked Harriet for her significant contribution over the years, bringing ideas and her industry experience, and also latterly her links with the IPO.

Fakir Osman, a new Secretary of State appointee, would join the Council with effect from 1 January 2023.

Joanna Hardy, Gay Penfold and Chris Sellors had all been reappointed for a further three-year term with effect from 1 January 2023.

It was noted that, although there would be no recruitment process in 2023, in the following year there could potentially be six new appointments.

Operational issues

A further discussion with BEIS was to be arranged to discuss issues on hallmarking enforcement in relation to online sales and the Consumer Bill, looking particularly at the obligations of intermediaries.

The King's Assay Master would be retiring in March 2023. Formal communications from the Royal Mint were awaited, and Graeme Smith the current KAM would be introducing the new team to the BHC.

Initial designs had been produced for a commemorative hallmark to celebrate the Coronation in 2023 and Will Evans reported that there would shortly be images to share with the BHC for the approval process.

Governance

The Chair expressed thanks to Ken Daly who had been an able Chair of the Education & Enforcement Committee, bringing his expertise and knowledge of the sector to the role. Ken Daly had expressed a wish to step down from the role and Rachel Holloway was thanked for agreeing to take over as Chair, with Ken Daly remaining as a committee member and continuing to lead the Touchstone Award.

Council effectiveness and appraisals

The Chair reported that the appraisal process was almost complete and thanked Council members for their time and commitment to the process. Council members' and stakeholders' views would be incorporated into the Council Effectiveness Review for future planning.

Managing Council business

The meeting noted the plan to hold two physical meetings per year for the full Council, interspersed with two interim briefing meetings via zoom. Committee chairs would decide what meeting format would be most effective, with a presumption that that committee meetings would be held by zoom, but with the option to hold a face to face meeting if necessary. All were content with this approach.

There was discussion regarding the balance between the BHC's statutory role and the requirements of statutory bodies. It was noted that the cost of the BHC's administration is now significantly lower than in the past and the work is more streamlined.

4 BEIS report

The report from Richard Sanders had been circulated with the meeting papers.

Richard Sanders reported that Grant Shapps is the new Secretary of State for Business, Energy & Industrial Strategy.

The new Sponsorship Code is designed to ensure a healthy relationship between sponsors and ALBs and BEIS would be working with the secretariat to review this. The meeting noted the good relationship between the BHC and OPSS and the help given by OPSS.

5 International Hallmarking Convention (IHC), and international trade

Scott Walter introduced this item and the paper which had been circulated with the meeting documents. The paper set out information about the IHC and current developments. It was proposed that the BHC's Technical Committee should work with the Applications Committee and the Royal Mint on issues such as the definition of a sub-office and the IHC's current work on guidance for offsite hallmarking operations (sub-offices) as well as supervisory processes. Recommendations would then be prepared for the Council.

Isobel Pollock-Hulf confirmed that the Applications Committee was ready to work with the Technical Committee on these issues.

It was noted that the King's Assay Master was currently developing processes for Assay Office inspections. It was also noted that regard should be had to the scope of the BHC's powers under the Hallmarking Act.

It was agreed that the Council would await a report following these discussions.

Action

Technical Committee to work with Applications Committee to produce a report and recommendations on the sub-office approval process and supervisory processes.

6 Sustainability and carbon-neutral issues

The Chair introduced this item and the paper circulated with the meeting papers.

The government sees the green agenda as a priority; companies across the UK are incorporating sustainability into their action planning. As an arm's length body of the government, the BHC needs to consider this priority and address it if appropriate.

The Assay Masters reported on sustainability actions being taken as part of their business strategy, reducing consumption and also costs. It was noted that the BHC, particularly with zoom meetings for committees, would be very low in its energy consumption. There was discussion of whether requesting reporting on the Assay Offices' sustainability initiatives formed part of the BHC's statutory role. It was noted that the purpose of this agenda item was to stimulate a discussion of the issue and to establish what the BHC is doing or can do in this area alongside BEIS priorities.

It was agreed that Assay Offices would report to the BHC on sustainability initiatives on a voluntary basis.

Action

Assay Offices to report to the BHC on sustainability initiatives on a voluntary basis.

7 Business plan, budget and financial

The Secretary summarised progress on the 2022 business plan as set out in the annotated version circulated with the meeting papers. There had been good progress on the objectives for the year. The draft actions for 2023 were designed to set a framework for the 2023 business plan which would be circulated to the Council at the start of 2023. The meeting noted the finance report to the end of Q3 and the predicted outturn to the year end. The draft budget for 2023 was presented and provisionally approved.

The Secretary summarised key points in the NAO's audit planning report which had been circulated with the meeting papers. The meeting noted the actions for the BHC.

8 Risk register

The Chair introduced this item. It was important for the Council to have oversight of the risk register to ensure it is relevant and up to date and contains the right level of detail. The meeting discussed the risk relating to international / trade with other countries. It was noted that there continued to be issues following the UK's exit from the EU as described in the EAO report; a second wave of issues is anticipated. An issue of more direct relevance to the BHC is the risk relating to the lack of enforcement in relation to sales from abroad. It was also agreed that the NAO's stated presumed risk of management override of controls (a presumed risk for all audited bodies) should be included in the risk register.

Action

Secretary to update risk register as per the discussion.

REPORTING ITEMS

9 Governance review

The Secretary reported on progress on the governance review as set out in the report circulated with the meeting papers. Following the reappointment of the Chair, the next step would be to establish the working group to produce recommendations for a future chair appointment process; the appraisals process had been overhauled and the first cycle was substantially complete; feedback had been collated ready for the first Council Effectiveness Review; the induction procedure would be reviewed; procedures for retiring Council members were in operation and ready to be documented; additional policies and procedures were being scoped and documented; a risk assurance mapping exercise had been started; reports to BEIS as set out in the Framework Document had been introduced and included in the updated annual calendar; Secretariat processes were being documented alongside a short business continuity plan.

10 Dealer's Notice and HALO Award

Thanks were expressed to Chris Sellors for initiating the HALO Award, and to the HALO judges for their work on judging the first set of entries. The group had worked well together and the range of representation across the industry had proved to be an excellent combination. The 2022 Award entries made an excellent first year for the Award, a strong foundation for future years. It was also noted that the opportunity to work closely with the NAJ throughout the year had strengthened that relationship.

The HALO Award would be presented at the Benevolent Society Ball in December, and letters to the winners were about to be sent out.

11 Education & Enforcement Committee

Ken Daly reported on Education & Enforcement initiatives and progress as set out in the report included in the meeting papers. The planned article for the Journal of Trading Standards on the first ten years of the Touchstone Award would be circulated to the Council when available. The presentation to WRi at the 2022 CTSI Conference had provided good profile for the Award. Progress continued on work with online platforms. A meeting with BEIS regarding the Consumer Bill was to be arranged.

The meeting discussed links with other bodies that could assist with reach into the industry. It was noted that there were good links with the NAJ and the Benevolent Society through Council members and through the HALO Award. A connection would be made with the IMRG, for a shared perspective on issues with online sales. There was discussion of whether hallmarking features in the training of jewellers: the School of Jewellery, the JETS course and BAO's online hallmarking course were noted. There were also opportunities to educate jewellers (and consumers) through craft fairs. The Chair encouraged all members to make contact with relevant people across the industry prior to the next recruitment round.

12 Operational integrity

Isobel Pollock-Hulf reported on the work of the Applications Committee and the reports circulated with the meeting papers. Good progress had been made on revalidations of sub-offices, with only one remaining to complete the five-yearly cycle of inspections of sub-offices. Thanks were expressed to the Assay Masters for their support with the process.

13 Technical Consistency

Scott Walter reported on the work of the Technical Committee as set out in its report in the meeting papers.

14 Joint Assay Offices Committee

The minutes of the JAOC meeting on 6 October 2022 were noted.

15 Assay Office reports

The Assay Office reports circulated with the meeting papers were noted. There was discussion of the impact of the cost of living crisis and the ongoing effects of the UK's exit from the EU on hallmarking numbers, with a slowdown being witnessed or anticipated by all. Ashley Carson reported on educational initiatives locally. It was noted that there was non-compliance at some craft fairs and possibly at trade fairs and in some big name brands in high end shopping locations. While the problem is much bigger in online retail settings, it was still valid and useful to pick up non-compliances with face to face retailers including at fairs.

16 Proposed Coronation commemorative hallmark

Will Evans reported that initial designs had been produced for a commemorative hallmark to celebrate the coronation in 2023 and that there would shortly be images to share with the BHC for the approval process.

Action

Will Evans to circulate images for BHC approval

17 Closing business

The minutes of the Council meeting on 28 April 2022 and the notes of the Council briefing on 28 July 2022 were approved.

There were no additional matters arising.

There was no further business.

Dates of next meetings:

- Briefing meeting via zoom 9.30am Tuesday 24 January 2023

- Full Council meeting Edinburgh 11.00am Thursday 20 April 2023
- Briefing meeting via zoom July 2023, date tbc
- Dinner Sheffield Wednesday 18 October followed by Council meeting 11.00am Thursday 19 October (noting that although SAO would be hosting dinner, hotel accommodation would need to be booked individually)

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### Decisions at the meeting

**2 Chair reappointment** IT WAS RESOLVED by a vote on a show of hands to change the effective date for the Chair reappointment to 7 April 2023

**5 IHC and international trade** It was agreed that the Technical Committee would work with Applications Committee to produce a report and recommendations on the sub-office approval process and supervisory processes.

**6 Sustainability and carbon-neutral issues** It was agreed that Assay Offices would report to the BHC on sustainability initiatives on a voluntary basis.

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Actions from the meeting

Item	Who
2 Chair reappointment Minutes of meeting 22 September 2022 to be annotated to show that the effective date has been changed by agreement to 7 April 2022	Secretary
2 Chair appointment process Secretary and Chair to set up working group with a remit to consult on the process for future Chair succession and report back to the Council with recommendations.	Secretary and Chair
5 IHC and international trade Technical Committee to work with Applications Committee to produce a report and recommendations on the sub-office approval process and supervisory processes.	Technical Committee Applications Committee
6 Sustainability and carbon-neutral issues Assay Offices to report to the BHC on sustainability initiatives on a voluntary basis.	Assay Masters
8 Risk register Secretary to update risk register as per the discussion.	Secretary
16 Proposed Coronation commemorative hallmark Will Evans to circulate images for BHC approval	Will Evans