

**British Hallmarking Council (BHC)**  
**Council meeting 11.00am Thursday 20 April 2023**  
**At the offices of Gillespie Macandrew 5 Atholl Crescent Edinburgh EH3 8EJ**

## **Minutes of meeting**

### **1 Opening business**

#### **Present**

Noel Hunter, Chair  
Joanna Hardy  
Rachel Holloway  
Russell Jeans  
Sarah Langley  
Tom Murray  
Gay Penfold  
Isobel Pollock-Hulf  
David Reddaway (via Teams remote attendance)  
Vanessa Sharp  
Matthew Sibley  
John Stirling  
Charles Turner  
Gary Wroe

#### **In attendance**

Doug Henry  
Scott Walter  
Will Evans  
Ashley Carson  
Sue Green, BHC Secretary (via Teams remote attendance)  
Rachel Bealey, OPSS, Department for Business and Trade  
Richard Sanders, OPSS, Department for Business and Trade

#### **Apologies for absence**

Neil Carson  
Ken Daly  
Patrick Fuller  
Fakir Osman  
Chris Sellors

#### **Introduction**

The Chair introduced the meeting and thanked Gillespie Macandrew and Edinburgh Assay Office for hosting the meeting. He reported that Neil Carson would be standing down from the Council.

#### **Recording**

It was noted that the meeting was being recorded.

#### **Declarations of interests**

There were no additional interests declared.

### **2 Chair's report**

The Chair summarised key issues from his report, noting priorities for his final term as Chair.

It was noted that an enforcement project to be led by brand protection investigators WRi Group was expected to start in June 2023 subject to confirmation from the Goldsmiths' Company who would be funding the project. Possibilities for widening the work of the proposed project would be discussed with the Assay Masters. It was noted that Sheffield Assay Office continue to work on retail inspections locally.

**Action** Chair with Assay Masters

The upcoming review of the BHC by the Department for Business and Trade (DBT) was expected to start soon, with an introductory meeting in the diary for early May. Richard Sanders of OPSS (Office for Product Safety and Standards) commented that the work done over the last year to put in place procedures as set out in the Framework Document agreed at the April 2022 meeting would feed into the review. This would start with a self-assessment, which would then be reviewed by the Partner Organisations team at the DBT for a decision whether a further assessment by a third party would be necessary.

The Chair asked the meeting to note the decline in hallmarking volumes since last year, a factor which should inform the decisions of the Council going forward.

### **3 Assay Assured**

Scott Walter presented a virtual tour of Assay Assured following its relaunch as a UK-wide initiative. Assay Assured is a trust mark scheme and has now been rebranded to reflect the fact that it is operated by all UK Assay Offices jointly. Assay Assured certification comes with a serial number and consumers can check that this is valid via the Assay Assured website, which also contains explanatory material on hallmarking and a mechanism for consumers to report a query. Assay Assured retailers are required to have a page on hallmarking on their website, including the Dealer's Notice and a link to the "What is a hallmark?" video. Retailers pay an annual fee and the scheme is non-profit making. Currently around 100 retailers are Assay Assured and there has been an uplift in applications since the relaunch. The Technical Committee would be looking at plans to promote it.

### **4 Education & Enforcement (E&E) Committee and enforcement issues**

Rachel Holloway presented the report from the E&E Committee. A key challenge is education: specifically raising awareness of hallmarking to drive up compliance. This would be a focus for the committee in its next meetings, to shape options.

Work continued on online enforcement issues. Online platforms had proved responsive to concerns raised by the BHC, but reactive rather than proactive. The current legal ambiguity is a concern which the BHC is taking forward with the DBT. The BHC had also made a submission to an upcoming DBT round table discussion on online marketplaces, highlighting the detriment to consumers by non-compliance with hallmarking law.

The Touchstone Award 2023 was in progress, with judging imminent. The award would be kept under review, noting the challenges faced by Trading Standards teams to make resource available for hallmarking enforcement, and for entering for awards.

The HALO (Hallmarking and Learning Online) Award 2023 would be launched at the NAJ (National Association of Jewellers) AGM on Thursday 8 June, and the period for entries would close on 8 September. Council members and Assay Offices were all asked to support the award by publicising it on social media channels.

**Action** All Council members and Assay Offices to publicise HALO 2023

Following discussions at the appraisals and in the Council Effectiveness Review the membership of the E&E Committee was being extended. A proposed revision to the E&E Standing Orders to reflect this had been circulated with the meeting papers, changing the maximum number to nine, and increasing the quorum to three. It was noted that online technology was being used for meetings.

**Decision** This amendment was approved.

## 5 Vermeil

Scott Walter presented the report on behalf of the Technical Committee which had been circulated with the meeting papers. It was noted that vermeil items are made of sterling silver which is then gold-plated. With the price of gold at an all-time high, manufacturers were increasingly producing vermeil items. There was an increasing tendency for retailers to use non-compliant wording to describe the items, for example, “gold vermeil” with a resulting risk that consumers could mistake such items for gold. The Assay Offices had been receiving complaints from compliant retailers about non-compliant listings of vermeil jewellery. Non-compliant items would also be in breach of Trade Descriptions legislation.

It was noted that there is no clear standard for vermeil, for example, as to a minimum thickness of the gold-plating, and that this can be a complex question because the quality of the plating work that is done also impacts on the length of time the plating will last.

The existing published BHC guidance was reviewed.

**Decision** It was agreed that the existing guidance on gold-plated silver items should be reissued to clarify the wording in the final sentence. The final sentence of the guidance should read “The ‘exemption’ is an exemption from physical hallmarking itself, not from the requirements of every other part of the Hallmarking Act 1973.” The BHC would issue a press release to publicise the guidance.

**Action** Update of guidance on gov.uk to clarify wording; BHC press release to publicise the guidance.

## 6 Coronation commemorative mark

The Assay Masters reported on volumes of demand for the Coronation commemorative mark. There had been good feedback from customers, and some demand from jewellers for the large format version. Some jewellery companies were issuing special ranges. It was noted that the amount of detail in the image made it more challenging to apply in the smallest, 1mm, format.

## 7 Chair succession process

Vanessa Sharp presented the draft Chair role description and draft Chair succession process. The working group had produced these documents following constructive debate. The aim was to make the process pragmatic, consistent with the HMA, and workable. It was noted that the use of the word “chairman” when quoting the HMA was simply to keep in line with the wording of the legislation, and that no bias was intended by that wording. A question was raised whether the role description precisely covers the duties set out in the HMA and this would be reviewed. Small amendments were noted and agreed, following which the process would be finalised.

**Decision** The Chair role description and Chair succession process were agreed, subject to confirmation of alignment with the HMA and the amendments noted.

**Action** Amendments, confirmation of alignment with the HMA; maintain in Council manual

## **8 Annual Report & Accounts to 31 December 2022 (AR&ACs)**

The Secretary presented the draft AR&ACs (Annual Report and Accounts) which had been circulated prior to the meeting. It was noted that the Chair's introduction, setting out current operating conditions and activities, needed to portray the Council's views accurately; that the sections on Risk had been reviewed from last year; and that the Performance summary and Performance analysis had been worded in more detail this year so that the reader could make an assessment of whether the BHC had met its goals. The wording for the Comptroller & Auditor General (C&AG's) audit certificate had now been received and circulated prior to the meeting, and this would be incorporated into the document. The Accounts section set out the BHC's spend for the year against its budget. Expenditure had again been below budget.

The Council was asked to take note of key points in the NAO's Audit Completion Report which had been circulated prior to the meeting. An unqualified audit opinion would be recommended to the C&AG. The presumed risk of management override of controls had been tested and no transactions had indicated that this risk had materialised. A lack of segregation of duties, due to the small number of people involved, had been noted alongside a comment that this risk was minimised by the oversight of the Secretary and Chair.

The draft Letter of Representation had been circulated prior to the meeting for review.

The AR&ACs would be laid before Parliament in accordance with the legal requirements.

**Decision** The draft AR&ACs were approved and the Chair was authorised to sign the AR&ACs and Letter of Representation on behalf of the Council.

## **9 Business plan, budget and finance report**

### **9.1 Business plan and budget**

The 2023 Business Plan and Budget, previously presented at the January briefing, had been circulated with the meeting papers.

There had been a request from John Stirling to amend the wording in Objective 1 to reflect the fact that the BHC's work promotes growth, but that growth is not a BHC function under the HMA.

**Decision** This amendment was agreed.

### **Action** Amendment to business plan

The Secretary updated the meeting on progress against the various actions in the business plan. It was noted that the Secretariat Manual would operate as a business continuity plan, setting out actions needed at particular points in the year alongside the annual calendar.

### **9.2 Finance report**

The Secretary summarised the finance report which had been circulated, noting that the BHC would need to move to the Government Banking Service (GBS) to be in line with Treasury requirements. There would be some administration cost in making the move and in GBS fees but the system should run in the same way as current systems, with the BHC's book-keeper Shakespeare Martineau as the interface.

**Decision** The move to the Government Banking Service was approved.

## **10 Department for Business and Trade**

### **10.1 OPSS report**

Richard Sanders presented the OPSS report that had been circulated with the meeting papers.

It was noted that, following the Machinery of Government changes, OPSS now sits within the Department for Business and Trade, with Minister Hollinrake retaining responsibility for hallmarking policy and sponsorship of the BHC.

The Hallmarking Act will not be affected by the Retained EU Law (Revocation and Reform) Bill.

The process for the Periodic Public Body Review of the BHC would be starting shortly. Following the introductory meeting, a self-assessment form would be issued covering current requirements of Arm's Length Bodies; the BHC's work to meet requirements in the Framework Document would provide a good foundation.

### **10.2 Corporate Statement**

The draft Corporate Statement was approved, subject to making the same change to wording as in item 9 above, to reflect the BHC's updated objective 1.

**Decision** Corporate Statement approved, subject to agreed amendment.

### **10.3 Framework Document**

Noel Hunter reported that the Framework Document had been signed off following the Council meeting in April 2022. Later in the year the Treasury had sent out further requirements, which had led to further consideration of the document by Council members to ensure that it does not conflict with the HMA. John Stirling and Matthew Sibley would propose wording changes, involving David Reddaway and Noel Hunter in the discussion. The aim would be to sign off the document as soon as possible, via an email resolution of the Council.

**Action** Wording changes to be proposed; once agreed version is produced, propose for email resolution of Council

## **11 International Hallmarking Convention**

Scott Walter presented the Technical Committee paper circulated with the meeting papers. This covered the requirements of HMA Schedule 5, the IHC requirements for technical compliance, and the role of the King's Assay Master (KAM). Isobel Pollock-Hulf commented that the Applications Committee was happy to work with the Technical Committee on a mapping exercise to review the overlaps between processes and identify any gaps. It was noted that testing regimes have changed and developed, and that the government, as the IHC member on behalf of the UK, takes the view that it is not right to subject Assay Offices to additional requirements over and above requirements of the Convention. There was comment that it was important to ensure a level playing field for the UK in line with other members of the IHC.

**Action** Technical Committee to work with Applications Committee to review requirements and make recommendations

## **12 Operational integrity**

### **12.1 Applications Committee report**

Isobel Pollock-Hulf presented the Applications Committee report which had been circulated with the meeting papers. There remained only one sub-office to review on the programme of five-yearly revalidations of sub-offices, and it was anticipated that this would be a light touch process, to take place during 2023.

#### **12.2 Sub-offices reports**

Sub-office reports had been circulated with the meeting papers.

#### **12.3 King's Assay Master (KAM) reports**

The set of KAM papers had been circulated with the meeting papers.

### **13 Technical Consistency**

The Technical Committee report had been circulated with the meeting papers. There were no questions on the report.

### **14 Joint Assay Office Committee (JAOC) report**

Minutes of the JAOC meeting on 7 March had been circulated with the meeting papers.

### **15 Assay Office reports**

The Assay Masters commented on current issues as set out in their Activity reports circulated with the meeting papers. There had been a drop in hallmarking volumes, despite the effect of the Coronation commemorative mark. Some customers were experiencing strong trading conditions, in contrast to others. The current high price of gold was affecting the marketplace.

Ashley Carson reported on SAO's work on raising awareness of hallmarking, including presentations and local enforcement activity. Information packs had been developed and the training could be shared with other assay offices.

Break-in at SAO: Ashley Carson reported that no hallmarking punches or laser files had been affected. Additional high-tech security had been installed.

### **16 Closing business**

#### **16.1 Minutes of meetings**

The Minutes of the Council meeting on 28 October 2022 were approved.

The Notes of the Council briefing on 24 January 2023 were approved.

#### **16.2 Any other business**

Gay Penfold as Chair of the Benevolent Society requested suggestions for auction gifts for fundraising at the annual Ben Soc Ball and welcomed Charles Turner's offer of tea with the Master Cutler and tour of the Cutler's Hall.

#### **16.3 Dates of next meetings**

Briefing 9.30 am Tuesday 18 July 2023 via zoom

Full Council meeting Sheffield 11.00 am Thursday 19 October 2023, preceded by dinner on Wednesday 18 October

John Stirling, Gillespie Macandrew, Scott Walter and EAO were thanked for their hospitality and organisation in hosting the meeting.



**Decisions at the meeting**

4 E&E Committee Standing orders: Approval of E&E Committee revision to Standing Orders to increase maximum number to nine and increase quorum to three as per draft revision version circulated with meeting papers.

5 Vermeil: It was agreed that the existing guidance on gold-plated silver items should be reissued to clarify the wording in the final sentence. The final sentence of the guidance should read “The ‘exemption’ is an exemption from physical hallmarking itself, not from the requirements of every other part of the Hallmarking Act 1973.” The BHC would issue a press release to publicise the guidance.

7 Chair succession process: Chair role description and Chair succession process agreed, subject to small amendments discussed at the meeting.

8 AR&ACs: The draft AR&ACs were approved and the Chair was authorised to sign the AR&ACs and Letter of Representation on behalf of the Council.

9 Business plan: It was agreed to amend the 2023 business plan to reflect the fact that the BHC’s work promotes growth, but that growth is not a BHC function under the HMA.

9 Move to Government Banking Service: The move to the Government Banking Service was approved

10.2 Corporate Statement: the Corporate Statement was approved, subject to agreed amendment.

**Actions from the meeting**

Item	Who
2 WRi project Potential for widening scope of proposed WRi project to be discussed separately	Chair with Assay Masters
4 HALO Award All to publicise HALO 2023	Council members and Assay Offices
4 E&E Committee revision to Standing Orders, formalities	Secretary
5 Vermeil Revision of existing guidance to clarify wording in final sentence Update of version on gov.uk Press release to publicise the guidance	Secretary Assay Offices
7 Chair succession process Checking alignment with HMA Amendments to documents Maintain in Council manual	Vanessa Sharp Secretary

Item	Who
8 AR&ACs Procedure for signature and laying of AR&ACs before Parliament.	Secretary
9 Business plan Amendment of wording of Objective 1	Secretary
9 Move to Government Banking Service	Secretary with Shakespeare Martineau
10.2 Corporate Statement Signature process	Secretary with Chair and DBT
10.3 Framework Document John Stirling and Matthew Sibley to propose wording changes, involving David Reddaway and Noel Hunter in the discussion. Once wording agreed, email resolution of the Council to approve	John Stirling Matthew Sibley David Reddaway Noel Hunter
11 International Hallmarking Convention Technical Committee to work with Applications Committee to review requirements and make recommendations	Applications Committee Technical Committee