

BRITISH HALLMARKING COUNCIL (BHC)
Council Meeting, 10am, Thursday 19 October 2023
Sheffield Assay Office Guardians' Hall, Beulah Road, Sheffield S6
2AN and via Zoom

Minutes of meeting

1. Opening business

Present

Ken Daly
Tom Franks
Patrick Fuller
Rachel Holloway
Noel Hunter (Chair)
Russell Jeans (via Zoom)
Sarah Langley
Tom Murray
Fakir Osman (via Zoom)
Gay Penfold
Isobel Pollock-Hulf
Vanessa Sharp
Matthew Sibley
John Stirling
Charles Turner
Gary Wroe

In attendance

Ashley Carson
Will Evans
Doug Henry
Scott Walter
Richard Sanders, Office for Product Safety and Standards
Sue Green, Secretary (via Zoom)

Apologies for absence

Joanna Hardy
Rachel Bealey, Office for Product Safety and Standards

Welcomes and introductions

Tom Franks was welcomed to his first full Council meeting.

Remembering Chris Sellors

There was a minute's silence to remember Chris Sellors who died on 4 September. As a Council member, Chris was the architect of the HALO Award to promote hallmarking compliance, and his perspective and insights had made valuable contributions to the BHC. Council members and Assay Masters spoke of their memories of Chris, and his lasting legacy to the trade.

Actions

BHC to:

- Consider renaming an award after Chris, possibly the HALO Award
- Consider holding a future Council meeting at the CW Sellors Carsington Visitor Centre once it opens

Declarations of interests

There were no new declarations of interests.

2. Chair's report

The Chair congratulated Birmingham and Sheffield Assay Offices on their 250th anniversaries and on their events to mark these landmark dates.

3. 50 years of the Hallmarking Act and the British Hallmarking Council

The meeting noted that 2023 marks the 50th anniversary of the Hallmarking Act (HMA) and the BHC. Prior to that, the last landmark legislation in this area had been in 1773. The 200 years between the two had seen various efforts at strengthening and clarifying the law, ultimately leading to the passing of the HMA in 1973. A review of this history shows that statutory control is essential; that change takes a long time to effect but it is never too soon to begin; and that the world is changing and it is important to take note of that change and respond to it.

4. Upcoming General Election, issues for consideration including possible revisions to the HMA

The meeting noted that the suggestion was not to stimulate changes, but to be ready with representations if the opportunity should arise.

Members and Assay Masters put forward a variety of views on the subject, covering:

- The role and size of the BHC
- Reviewing the regulation of Assay Offices in light of the external accreditation that is now in place for all of them
- A focus on education and consumer protection in the BHC's functions
- Increasing enforcement powers
- Tackling the problem of online purchases from abroad, going direct to consumers
- Advice to government on technical issues
- Making date marks compulsory for certain categories of items
- Educating new entrants to the market on hallmarking requirements
- A post-implementation review of the effectiveness of the HMA to enable an assessment of the evidence of what needs to change
- That the HMA overall is still effective in representing what consumers need
- The potential risks of advocating changes.

The Chair commented that the messages from his survey of the industry in 2017 to set the strategy for the following years had been that hallmarking is very important, as is regulation of hallmarking.

It was agreed that a working group would review the question of possible revisions to the HMA alongside a review of the BHC's strategy.

Action

Working group to be set up to review Council strategy and possible revisions to the HMA

5. Possible collaboration with BSI Technical Committee Jewellery & Horology

The meeting noted the exchange of correspondence with the BSI Technical Committee on Jewellery & Horology. It was noted that Joanna Hardy had offered to speak to the Committee on

precious metals and gemstones, and that the International Hallmarking Convention (IHC) has a watching brief on their work. It was agreed that Doug Henry would bring any relevant matters from the Committee to the BHC.

6. Education & Enforcement (E&E)

E&E Committee strategy workshop

Rachel Holloway thanked the BHC for the responses to the questionnaire on the work of the E&E Committee. The E&E strategy working group the previous day had done useful work on identifying stakeholders, who they work with, who they need to influence, and how to define success as a committee. There was comment that it had been a useful discussion, bringing people together to understand each other and share views. This work would be taken forward, looking also at replacing the late Chris Sellors on the committee.

HALO Award

Ashley Carson reported on progress on the HALO Award. The judges had held a preliminary meeting to review the applications and their compliance with hallmarking requirements. This discussion had suggested some more prescriptive requirements for HALO entries in future years. Entries had been audited by the Assay Assured audit team. It was noted that there was an opportunity for useful feedback to and from entrants who were supporters of hallmarking and yet not meeting basic requirements for compliance. There was discussion of possible opportunities for HALO and Assay Assured to work together more closely in future, and opportunities for Assay Offices to ensure that customers, particularly new customers, are compliant. It was noted that the making sector is an important market.

Touchstone Award

Ken Daly reported that the Award was back on track following the disruption caused by the Covid-19 pandemic. The 2023 winner had carried out a very good back to basics project and was a worthy winner. A presentation of the Award had been made at the CTSI Conference in June by Heather Callaway, giving very good profile for hallmarking to the Trading Standards audience. The Award would be presented again at the winning team's home Council Office, and at a day for the winners at the Goldsmiths' Hall in November. A Special Award to the BBC would also be presented at the Goldsmiths' Hall event for the profile given to hallmarking by Joanna Hardy on the Antiques Roadshow. An article for the Journal of Trading Standards was planned as this gives further important publicity to hallmarking within the Trading Standards community. It was suggested that further publicity could be considered, such as case studies of the winners' work, to publicise the benefits of carrying out this work and entering for the Award. It was noted that entries were already anticipated for 2024.

Online platforms

Rachel Holloway reported on progress with online platforms. Desktop audits and discussions were leading to non-compliant listings being taken down; there was an apparent willingness to assist but the platforms maintained that they were complying with their legal obligations. It was noted that persistence on the part of the BHC was getting attention. Discussions about a possible Assay Assured-type approach were to be taken forward. Rachel Holloway was pursuing discussions with OPSS on these issues at the same time; Richard Sanders commented that the Minister was giving the message generally to online platforms that compliance with legal and safety requirements must be improved.

Digital Markets, Consumer and Competition (DMCC) Bill

Rachel Holloway reported on the useful meeting with the Department for Business & Trade (DBT) on the progress of the DMCC Bill. The BHC had invited other interested agencies and was sharing progress updates with those agencies. Areas of the Bill restated existing law and this posed the question of what difference the new legislation will make. The Bill is currently entering the report stage and a watching brief would be maintained.

Operation Stamping it Out

Will Evans reported on this project, working with brand protection and investigation firm WRi and funded by the London Assay Office / the Goldsmiths' Company. The project was attracting attention amongst Trading Standards teams, which was very encouraging. Visits were being made to physical stores in London boroughs; at the same time an online surveillance exercise was locating online sellers based in the area, and identifying related physical premises. There were plans to publicise the project and the Chair commented that he was aiming to meet with the Assay Masters to discuss the potential to widen the project to other parts of the UK.

Action

Chair to discuss the wider application of Stamping It Out with Technical Committee

7. People

Council Effectiveness Review

The Chair introduced the appraisal process which as a matter of good practice allowed members to articulate their views and perceptions on their engagement with the Council. The Chair reported on progress, and on the summary of themes coming through in the Council Effectiveness Review alongside the appraisals. There was discussion of some of the items in the summary, including the relationship between the BHC as a statutory body and government and the wording of the draft Framework Document. It was noted that this paper was confidential as it reflected views of members through a confidential appraisal process.

The Council noted that good governance would indicate consideration of building on the existing Council Effectiveness Review process by carrying out a review with an external reviewer for an independent perspective. However it was concluded that such a review would not provide value for money for the BHC at this time.

Future changes and recruitment

It was noted that several Secretary of State appointees' terms were due to end on 31 December 2024, and also that there was a need to replace the late Chris Sellors. Representations would be made regarding second terms for those ending their first terms, and regarding possible extension of terms so that the impact of the changes could be staggered. The recruitment process was expected to begin shortly.

Will Evans reported that Anne-Christina Warburton had been appointed as the new Clerk and CEO of the Goldsmiths' Company and would join the BHC in January.

It was noted that Sue Green would step down as Secretary at the end of 2023 with a handover planned for the start of 2024. A committee was working on the recruitment of a successor.

It was noted that Geraldine Swanton would be retiring from Shakespeare Martineau at the end of April 2024 and her successor as legal advisor to the BHC was in place and shadowing the work.

8. Risk

The current risk register had been circulated with the papers for the meeting. There was discussion of possible risks associated with the upcoming General Election; the Framework Document not having been signed; possible ultimate consequences for the BHC of changes to the IHC membership; lack of Trading Standards resources for enforcement; upcoming recruitment; loss of an officer.

It was agreed to formalise the risk register processes so that risks were assigned to owners who would review those risks and propose updates prior to meetings. The updated risk register would be circulated for further comment in the meantime.

Action

Risk register process to be formalised to assign risks to owners who will review allocated risks and propose updates prior to meetings
 Updated risk register to be circulated for further comment in the meantime

9. Finance and planning**Finance report**

The Secretary summarised the finance report circulated with the papers, noting that the spend was slightly over budget at the end of September owing to exceptional workloads in the early part of the summer; this overspend had been gradually reducing over subsequent months but would not be recouped by year end as the workload continues to be high.

Business plan 2023 update

The Secretary summarised the updates to the 2023 business plan circulated with the papers. There had been good progress on a number of fronts. In particular, the HALO and Touchstone Awards were progressing well; discussions with online platforms continue; work by the Technical Committee and the Applications Committee was progressing on IHC-related issues; the appraisals and Council Effectiveness Review process were progressing well; governance actions were progressing.

John Stirling queried the wording of the business plan relating to supporting growth in the sector. There was comment that, while this is not specified as a BHC duty under the HMA, it was a consequence of the BHC's role as a regulator and the duties in the Regulators' Code. This issue was related to John Stirling's concerns about the wording of the draft Framework Document. It was noted that there was an impasse on the issue of setting objectives and the question whether in theory the Minister could impose objectives on the BHC. Richard Sanders commented that compromise wording had been proposed, relating to setting objectives for the Chair. This was a governance issue rather than a legal issue. The Chair noted that in his experience discussions with government regarding the BHC's aims had always been positive and there had been no attempt to impose objectives. In any event the draft document requires that all objectives should be ratified by the Council. Shakespeare Martineau had been asked to advise. It was agreed to progress the issue by bringing the draft Framework Document back to the Council.

Action Framework Document to be referred back to the Council following legal advice.

Draft headings for business plan 2024

A note of high-level business plan headings for 2024 had been circulated with the meeting papers. The Secretary commented that these would need to be firmed up as the work of the E&E Committee and the Technical Committee and Applications Committee on IHC developments and HMA Schedule 5 take shape.

Draft budget 2024

Similarly, the draft budget for 2024 was dependent on the business plan being confirmed. There was discussion regarding the overall budget level, which remains under £100,000 despite greatly increased activity levels, and lower than expenditure incurred over 10 years ago. However, it was noted that the state of the industry at present has an impact on the finances of the Assay Offices and consideration would be given to prioritising activities and whether the budget could be pared down. A question was raised whether other income could be sourced. The Chair referred to efforts made to streamline activities and keep costs to a minimum, and to ways in which activities had been supported by other organisations, eg the Goldsmiths' Company having financed the industry research; WRI's pro bono work; the NAJ sponsoring BHC Awards. Scott Walter commended the approach of working smarter to make the money go further.

Action Draft budget and business plan actions for 2024 to be reconsidered alongside strategy discussion

NAO audit planning report

The Secretary summarised the key points in the NAO's audit planning report which had been circulated with the meeting papers. Attention was drawn to the Actions for the Council, the materiality figures and the risks for consideration. It was noted that the NAO's proposed audit fee for 2024 was £9,000 compared to the 2023 figure of £4,200. The proposed fee had not been accepted and the issue had been escalated within NAO.

REPORTING**10. DBT report**

Richard Sanders presented the DBT report which had been circulated with the meeting papers, noting that the BHC may want to contribute to the upcoming call for evidence on how the regulatory landscape is impacting businesses, consumers, and regulators. This item would be considered outside the meeting.

Action

Call for evidence document to be requested for review; E&E Committee to consider and advise on a response

11. Assay Office reports

Reports from the Assay Offices had been circulated with the meeting papers. Trading conditions and hallmarking figures were considered. It was noted that the LAO sub-office at Allied Gold would be closing shortly.

12. Technical Committee report

The report from the June Technical Committee meeting had been circulated with the meeting papers. It was noted that the next meeting would be held at The Royal Mint, with the King's Assay Master (KAM) attending, and Noel Hunter and Isobel Pollock-Hulf being invited.

13. International Hallmarking Convention (IHC) update

Scott Walter was congratulated on being reappointed as Chair of the IHC's Standing Committee.

An update paper had been circulated with the meeting papers, covering the questions of the KAM's role under HMA Schedule 5, upcoming IHC changes to offsite marking, and the related risk register. The risk register was being progressed, and discussions between the Technical Committee and the Applications Committee were continuing. Isobel Pollock-Hulf commented that the Applications Committee, both as members of the Council and as the Applications Committee, had been working to add feedback to the process as the picture developed. The discussions had been positive and they would continue to consider the BHC's holistic role, and some specific questions including the effect of the new guidance on UK sub-offices.

The Council formally approved the role of the Applications Committee in this process to review the issues and report back to the Council. The Secretary mentioned that these issues arise from time to time, calling on the Applications Committee for an independent view and that the Council might want at some point to consider formalising a wider role for the Committee.

14. Applications Committee report

Isobel Pollock-Hulf presented the report, which had been circulated with the meeting papers. It was noted that there remained one sub-office for revalidation and that the Applications Committee were co-ordinating with the KAM to avoid duplication. It was agreed that this final revalidation could be carried out in 2024.

15. Joint Assay Offices Committee (JAOC) report

The meeting noted the minutes of the JAOC meeting of 26 September 2023.

16. Secretariat report

The Secretary reported that a new financial procedures manual was being held in draft pending the move to the Government Banking Service (GBS). It was agreed that this could be taken forward by email and not await the move to GBS.

17. Equality, diversity and inclusion (ED&I)

All Assay Offices were working in line with their ED&I policies. Fakir Osman offered to work with any Assay Office needing assistance eg with religious artefacts.

18. CLOSING BUSINESS

The minutes of the meeting on 20 April 2023 were approved.

The notes of the Council briefing on 18 July 2023 were approved.

There was one matter arising: progress with the guidance on vermeil. The amended guidance had been approved by email resolution and submitted to gov.uk for publication. However the current guidelines do not accept the use of "etc" on gov.uk and the Secretary requested authorisation to make suitable further amendments: this was approved.

Dates of next meetings:

Briefing via Zoom 9.30am Thursday 18 January 2024

Council meeting at Birmingham Assay Office 11.00am Thursday 25 April 2024

Briefing via Zoom 9.30am Wednesday 24 July 2024

Council meeting at London Assay Office at the Goldsmiths' Hall 11.00 Monday 14 October 2024

Decisions at meeting

4 Working group to be set up to review strategy and possible revisions to the HMA

8 Risk register process to be formalised

9 Draft budget 2024 to be reconsidered

Actions from meeting

Item	Who
<p>1 In memory of Chris Sellors BHC to:</p> <ul style="list-style-type: none"> • Consider renaming an award after Chris, most likely the HALO Award • Consider holding a future Council meeting at the CW Sellors Carsington Visitor Centre once it opens 	Chair and Council
<p>4 Strategy and HMA Working group to be set up to review Council strategy and possible revisions to the HMA</p>	Chair to set up working group
<p>6 Operation Stamping It Out Chair to discuss the wider application of Stamping It Out with Technical Committee</p>	Chair Technical Committee
<p>8 Risk Risk register process to be formalised to assign risks to owners who will review allocated risks and propose updates prior to meetings Updated risk register to be circulated for further comment in the meantime</p>	Secretary Governance Working Group
<p>9 Framework Document Framework Document to be referred back to the Council following legal advice</p>	Chair Secretary
<p>9 Business plan and budget 2024 Draft budget and business plan actions for 2024 to be reconsidered alongside strategy discussion</p>	Chair Secretary Strategy working group
<p>10 DBT report Call for evidence document to be requested for review; E&E Committee to consider and advise on a response</p>	E&E Committee