


# OFFICIAL

 <b>British Hallmarking Council</b>	<b>Item: 9a.</b> <b>Paper: 2024-BHC13</b> <b>Draft to be approved by Council: 14 October 2024</b> <b>Author: Secretariat</b>
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**Council Meeting 11.00am Thursday 25 April 2024**

**Birmingham Assay Office, 1 Moreton Street, Birmingham, B1 3AX and via Zoom**

## Minutes of meeting

### 1. Opening business

#### 1.1 Present

Name	Position
Noel Hunter	British Hallmarking Council member (Chair)
Patrick Fuller	British Hallmarking Council member
Joanna Hardy	British Hallmarking Council member
Rachel Holloway	British Hallmarking Council member
Isobel Pollock-Hulf	British Hallmarking Council member
Sarah Langley (via zoom)	British Hallmarking Council member
Simon Meddings	British Hallmarking Council member/ Birmingham Assay Office Chair
Tom Murray	British Hallmarking Council member/ Edinburgh Assay Office Chair
Fakir Osman	British Hallmarking Council member
Gay Penfold	British Hallmarking Council member
Vanessa Sharp	British Hallmarking Council member
Charles Turner	British Hallmarking Council member/ Sheffield Assay Office Chair
Annie Warburton (via zoom)	British Hallmarking Council member/ London Assay Office representative
Gary Wroe	British Hallmarking Council member/ Birmingham Assay Office representative
John Stirling (via zoom)	British Hallmarking Council co-opted member/ Edinburgh Assay Office
Matthew Sibley	British Hallmarking Council co-opted member/ Sheffield Assay Office

#### 1.2 In attendance

Name	Position
Doug Henry	Birmingham Assay Master
Scott Walter	Edinburgh Assay Master
Will Evans	London Assay Master
Ashley Carson	Sheffield Assay Master
Richard Sanders	Office for Product Safety and Standards (OPSS)
Sue Green	Outgoing Secretary British Hallmarking Council
Louise Chambers	Incoming Secretary British Hallmarking Council

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### 1.3 Apologies

Ken Daly, British Hallmarking Council member

Tom Franks, British Hallmarking Council member/ London Assay Office Chair

Rachel Bealey, Office for Product Safety and Standards

### 1.4 Welcome and introductions

1.4.1 The Chair welcomed two new members to the Council: Annie Warburton, Clerk and CEO to the Goldsmiths' Company, London and Simon Meddings, Birmingham Assay Office Chair.

1.4.2 The Chair thanked the Secretariat recruitment panel and also welcomed the new Secretary Louise Chambers. The Chair informed the Council of a change in the employment status of the Secretary following legal advice. A further update will be provided once discussions have concluded.

1.4.3 On behalf of the Council, the Chair thanked the outgoing Secretary Sue Green for all of her hard work in supporting the Council over the past 6 years. Her excellence and efficiency have been hugely appreciated and she will be greatly missed.

**ACTION:** The Chair will have updated the Council on the new employment arrangements for the Secretary by the next meeting.

### 1.5 Declarations of interest

1.5.1 There were no declarations of interest.

## 2. Market study

2.1 Will Evans and Gary Wroe provided the Council with an update on 'The UK Jewellery Industry: Profile of the manufacture, wholesale and retail sectors January 2024' report, jointly commissioned by The Goldsmiths' Company and The National Association of Jewellers (NAJ).

2.2 The Council welcomed the updated report and noted the growing importance of e-commerce to UK customers (with at least £2bn of online sales reported) which demonstrates the requirement for effective online regulation of the Hallmarking Act. However, concerns were noted regarding the accuracy of the data due to anomalies in the country import and export data, and due to the self-categorisation of online businesses which may lead to under-counting. In addition, it was noted that the data does not include businesses under the VAT threshold, which collectively comprise a significant portion of revenue.

2.3 The Council noted there would be benefit in adopting the coding methodology used in the "Design Economy 2021-2024 report: People, Places and Economic Value" published by the Design Council. This would integrate the report into the wider design economy research and provide a more accurate view of the jewellery industry contribution.

2.4 Will Evans confirmed the next steps will be to refine the data in collaboration with other industry bodies and to undertake qualitative research to better understand industry attitudes and how they feed into the Council's strategic agenda.

2.5 On a separate matter, Scott Walter sought clarification of the attendance of the Chair at a recent industry round-table meeting. The Chair confirmed he had been invited to attend on behalf of the Council.

**ACTION:** Will Evans and Gary Wroe will have provided an update on the market study to the next meeting.

### 3. Policy and industry discussion

- 3.1 Annie Warburton provided the Council with an update on political stakeholder engagement since taking up the post of Clerk and CEO of the Goldsmiths' Company.
- 3.2 The Council noted that the creative industries sector has been identified by the government as one of five growth sectors for the UK: growing at 2.5 times the speed of the economy. Annie Warburton confirmed there is a significant opportunity to raise the profile and importance of the sector to the UK economy: setting out what has impeded growth and identifying what can be done to overcome the barriers. Noting that it will be important for the Council to ensure its dual responsibilities of regulation and growth are aligned.
- 3.3 The Council noted the following issues raised by Annie Warburton's presentation:
- The need to ensure that government was aware of the importance of consumer protection and intellectual property for the trade
  - Clarifying how the Council remit and strategy fits into the DCMS vision
  - Definitively clarifying whether the Council is subject to the government's growth duty requirements (which put driving innovation, investment and growth at the heart of what regulators do- as set out in the Economic Growth [Regulatory Functions] Order 2017)
  - Ensuring the Council purpose, mission and vision is clearly articulated and communicated to members, to support stakeholder engagement
  - The opportunity to support the government's growth agenda by working together to identify the barriers to growth
- 3.4 Richard Sanders of OPSS confirmed that the government is interested in all of the areas mentioned, and that it regards the regulation and promotion of economic growth as going hand-in-hand. It was therefore advisable that the Council focus on undertaking its statutory functions in a manner compatible with and encouraging of growth.
- 3.5 On a separate matter, Scott Walter raised a number of concerns to the attention of the Council with regards to the effective operation of Council governance, Council controls and Assay Office regulation.
- 3.6 Council confirmed their ongoing support for Assay Offices and noted that work was underway to better articulate the role of the Council in the oversight of hallmarking, its stakeholder relationships and the effective use of Council skills and expertise- with the aim of fostering greater transparency and trust. The Chair reiterated the Council's commitment to open and transparent ways of working in its role as a regulator and in promoting growth, for the benefit of the Assay Offices and sector.  
[Annie Warburton left the meeting]

### 4. British Hallmarking strategy

#### Strategy

- 4.1 The Chair recommended the draft strategy, business plan and budget be considered under the same item. Views were sought from the Council.
- 4.2 The Council noted that not all members had been invited to participate in the initial strategy group. In order to enable all members to contribute, should they wish to do so, it was agreed that the draft strategy should be circulated to the full Council.
- 4.3 Rachel Holloway, Chair of the Education and Enforcement Committee (that had initiated the work) recognised the need for transparency and welcomed offers of involvement.

**DECISION:** The Chair **agreed** to circulate the draft strategy for comment.

**ACTION:** Secretariat will have circulated the strategy to the Council by Friday 24<sup>th</sup> May.

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### Business plan

- 4.4 The Chair introduced the business plan and sought views.
- 4.5 John Stirling raised two concerns regarding the business plan. The first concern related to whether due legal process had been followed by the government in incorporating wording regarding the Council's growth responsibilities under the Hallmarking Act. The second concern related to mission creep of the scope of the Council's work (as set out in the business plan).
- 4.6 Richard Sanders advised the Council that the Deregulation Act (2015) empowered the change and the Council is subject to the growth duty regardless of any provisions in the Hallmarking Act. Sue Green confirmed that legal advice from Shakespeare Martineau has previously been sought on this issue and the wording of the draft business plan reflected that advice.
- 4.7 John Stirling volunteered to be part of a group or to lead a group that would seek clarification of the legal basis of the Council's growth duty, and set out a list of business priorities based on the legal position for the Council to agree on.
- DECISION:** The Council agreed that a group would be formed to set out the growth duty legal questions, obtain definitive legal advice from DBT, reconsider the business plan priorities in light of this and bring back a set of revised choices to Council for further discussion.
- 4.8 The Chair confirmed that arrangements for a group to take this forward would be made after the meeting. Richard Sanders **agreed** to receive legal questions once formulated.
- 4.9 The Chair confirmed the Council will therefore work to the draft business plan, which will remain as a draft until the group's work has concluded.
- ACTION: 1.** Secretariat will have supported the Council in making arrangements for the working group by the end of May. **2.** Richard Sanders will have obtained legal advice from DBT by the end of July. **3.** The working group will have provided a report to Council by the October meeting, that sets out the issues, shares the legal response and provides business plan choices for discussion.

### Budget

- 4.10 The Chair noted the draft budget for 2024 was still outstanding pending the final NAO budget figure. He confirmed that following interventions by himself, the Assay Officers and DBT, the NAO had agreed to stage the increases. However, as noted under ARACS (item 17 below) this issue has not yet been resolved.
- 4.11 The Council noted a suggestion to pursue alternative funding options with DBT but were unclear on the options.
- 4.12 The Chair confirmed the Council would work to the draft budget as circulated pending the ministerial response.
- DECISION:** The Council will work to the draft budget.
- ACTION:** The Chair will have updated the Council on budget progress prior to the next meeting.
- [Simon Meddings left the meeting]

## 5. Chair's report

- 5.1 The Chair confirmed his report circulated with the meeting papers was to note and invited questions.
- 5.2 With regards to succession planning, Patrick Fuller recommended the mix of members from across retailers and manufacturers should be urgently improved. The Council **agreed** to take these into consideration for the next round of recruitment.
- DECISION:** The Council agreed that the succession plan should be updated.
- ACTION:** Secretariat will have updated the skills required in the succession and recruitment plan by the end of July.

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### 6. Risk

- 6.1 The Chair introduced the updated risk register and Rachel Holloway requested to speak on risk 6 'Failure of Governance' in relation to the Council's 'duty of care' to members.
- 6.2 Rachel informed the Council in confidence about a recent incident that had indicated a failure of governance and requested that the risk level for risk 6 be escalated from low to high.
- 6.3 The Council listened to and accepted Rachel's concerns regarding the handling of the issue and agreed with her recommendation that learning from this incident was critical to ensure it did not reoccur. The Council noted this was a very challenging issue for all concerned, which had arisen despite legal advice being obtained from Shakespeare Martineau and advice sought from DBT by both the Chair and Secretary.
- 6.4 The Council therefore **agreed** to accept the offer from John Stirling for his new group to review the associated processes involved in the incident: to better support members of Council and provide effective guidance for the Chair and Secretary.
- 6.5 Sue Green confirmed the outstanding action to review and update the risk register was ongoing, this included clarifying the Council's risk appetite. Doug Henry requested items 1 and 2 be updated to include the external assurance/ inspections/ accreditation process that Assay Offices undertake.
- 6.6 Given the earlier concerns raised regarding governance, Tom Murray requested that the governance risk level be elevated to high and the volunteer group be included as mitigation in relation to the matters previously raised. The Council **agreed**.
- 6.7 Patrick Fuller raised concerns regarding the risks of failing to appoint a new Chair that brought both an in-depth knowledge of the Assay Offices working and hallmarking. Council noted that a working group had updated the Chair succession process in 2023 to clarify. The Council also noted the importance of ensuring an effective succession pipeline for the Council to ensure the effective succession, onboarding and induction of the next Chair. It was **agreed** that the succession planning and appointments process should be recirculated.

**DECISION:** 1. John Stirling's group would review the processes involved in the issue raised by Rachel Holloway. 2. The governance risk level should be increased to high on the risk register, including risk 6.

**ACTION:** 1. Secretariat will have added the issue raised by Rachel Holloway to the working group's agenda. 2. Doug Henry will have provided the updated risk register text on accreditation to the Secretariat by the end of June 3. Secretariat will have updated the governance risk levels on the risk register by the end of June 4. Secretariat will have recirculated the Chair succession planning and appointments process by the end of May.

### 7. Touchstone Award 2024

- 7.1 Sue Green updated the meeting on two applications that had been received and thanked the Assay Offices for their support. The Council noted the award was an effective method of reminding Trading Standards of the importance and impact of hallmarking enforcement.
- 7.2 The Chair thanked all involved for their good work in putting across the message of enforcement. He welcomed the good work done in the areas that had submitted applications and thanked Ken Daly, Chair of the Touchstone Panel, Goldsmiths' Hall for hosting the November presentation and training event, and the NAJ for sponsorship. The incoming NAJ Chair would be presenting the award at the CTSI conference in June.

### 8. HALO Award 2024

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- 8.1 Sue Green reported that the award would be launched on the 6<sup>th</sup> June 2024 at the NAJ AGM at the Tower of London. Entries close in September. Support from Assay Offices in encouraging applications via customer newsletters, social media and leaflets in packets returned to customers would be welcomed. The Council noted that process improvements will be made and that administration of the award will pass to the Edinburgh Assay Assured staff for the 2025 round.
- 8.2 The Chair thanked the Benevolent Society for hosting the presentation of the award at their December ball, Assay Assured for their support in assessing entries, the Sheffield Assay Office for the salver and the NAJ for sponsorship and for hosting the launch at their AGM.
- ACTION:** Scott Walter will have brought a paper on the proposals by the October 2024 Council meeting.

### 9. DBT/OPSS report

- 9.1 The Council noted the report.

### 10. International Hallmarking Convention

- 10.1 The Council noted that the Technical Committee will convene a special meeting to work through the UK implications of the IHC sub-office guidance and related issues with the BHC Chair and the Applications Committee Chair.
- ACTION:** Pending the report of the King's Assay Master, as agreed at the October meeting, the Technical Committee will have arranged a meeting with the King's Assay Master, the Technical Committee, the Applications Committee Chair and the Council Chair by the end of June.

### 11. Assay Assured

- 11.1 Scott Walter updated the meeting on Assay Assured. Council noted there is encouraging progress, but more is to be done to bring online retailers up to full compliance with requirements.

### 12. Operational Integrity

#### Applications committee report

- 12.1 Isobel Pollock-Hulf confirmed that the Applications Committee had now completed the 5-yearly revalidation process for all sub offices in operation and were content with what they saw. Isobel thanked the offices for hosting the visits and confirmed that the strength of the process lies in the ISO and UKAS guidance, which should continue to be built on.
- 12.2 Isobel noted the guidance is not fully comprehensive, therefore the committee will continue to work closely with Assay Offices to agree on the consideration of risks that are not covered.

#### Sub-Offices report

- 12.3 The Council **noted** the report.

#### King's Assay master report

- 12.4 The Council **noted** the report.

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### 13. Education and Enforcement Committee

#### Education and enforcement strategy update

- 13.1 Rachel Holloway provided the Council with a verbal update and confirmed the committee had not met recently, although activity had been continuing with the Touchstone and HALO Awards and other areas.

#### DMCC Bill

- 13.2 The Council noted the Bill is currently passing through the final stages of parliament.

#### Online platforms

- 13.3 The Council noted that a relationship has been established with the DBT Deputy Director and that OPSS have launched several test cases regarding enforcement action with online marketplaces.
- 13.4 The Council noted that a meeting of the Online Marketplaces Forum was coming up. A briefing would be provided on the Assay Assured scheme.

#### Operation Stamping It Out/ Sheffield Assay Office enforcement activity

- 13.5 The Council noted the recent publication of the Chartered Trading Standards Institute manifesto, which set out the scale of the resourcing challenge for UK trading standards activity.
- 13.6 The Council noted the importance of the Operation Stamping it Out initiative, particularly as hallmarking activities are considered low risk within Trading Standards.
- 13.7 The Chair suggested it would be beneficial for the good enforcement work of the Sheffield Assay Office and Operation Stamping It Out to be rolled out across the UK, as supplementary to the work of Trading Standards.

### 14. Technical Committee

- 14.1 Ashley Carson noted the ongoing challenging financial environment for hallmarking. He confirmed that the next meeting with the King's Assay Master would be held in May.
- 14.2 The Chair requested early sight of the meeting details so that he could attend.
- ACTION:** Ashley Carson will have ensured the Chair receives a standing invitation to the committee by the next meeting.

### 15. Joint Assay Offices Committee

- 15.1 The Council noted the report.

### 16. Business plan and budget 2024

- 16.1 The Chair confirmed this item had been discussed under item 4.

### 17. Annual Report

- 17.1 Sue Green reported that the annual report and accounts cannot be certified until the NAO audit fee has been agreed. Therefore the laying of the document before parliament has been delayed, pending the updated timetable for the accounts certification.

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- 17.2 The Council noted that details regarding the change in status of the BHC Secretary were yet to be finalised in the draft document.
- 17.3 Sue Green drew the Council's attention to the NAO's report which provided a clean bill of health, and highlighted the risks identified by the NAO and their conclusions.
- ACTION:** Members will have provided any comments on the draft accounts to the Secretariat by the end of May.

### 18. Assay Office reports

- 18.1 The Council noted the Assay Office reports.
- 18.2 Doug Henry confirmed that the Birmingham Assay Office were undertaking local enforcement activities and addressing non-compliance with requirements to display the Dealer's Notice.
- 18.3 Ashley Carson confirmed that Sheffield inspection visits have increased. Trader ignorance has been identified as the primary challenge. The Sheffield Assay Office will be hosting the Yorkshire and Humberside meeting of Trading Standards in May and will be giving a talk on hallmarking.
- 18.4 The Council **agreed** that Assay Office reports would be taken earlier in the agenda in future meetings and the Chair confirmed a special report on enforcement activities from all Assay Offices would be welcomed.
- 18.5 Fakir Osman informed the Council of the legal requirement in Wales for notices such as the Dealer's Notice to be available in Welsh and noted the opportunity for the notice to also be made available in other languages. The Chair agreed to discuss this offline.
- DECISION:** The Assay Office reports will be higher on the agenda in future, and the next report will include an update on enforcement activities.
- ACTION:** Secretariat will have revised the timing of the Assay Office reports by the next meeting. Assay Masters will have ensured their next reports include an update on enforcement activities.

### 19. Coronation commemorative mark

- 19.1 The Council noted that the mark was still in use in all offices, and would cease to be applied at the end of 2024.

[Sarah Langley left the meeting]

### 20. Closing business

#### Minutes of meeting 19 October 2023

- 20.1 John Stirling requested an amendment to the draft minutes to note that the action for item 5 was that the possible collaboration with the BSI Technical Committee on Jewellery and Horology had been remitted to the Technical Committee. This amendment was **agreed**.
- 20.2 The Council **agreed** the minutes.
- DECISION:** The October 2023 minutes were agreed subject to the accepted amendment.
- ACTION:** Secretariat will have revised the minutes by the next meeting.

#### Note of Council briefing 18 January 2024

- 20.3 The Council agreed the minutes.

#### Matters arising

- 20.4 No matters arising were raised.

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### 21. AOB

- 21.1 Joanna Hardy and Will Evans informed the Council of an approach from the BBC regarding filming enforcement activity. The Council welcomed this opportunity for publicity and look forward to a future update.
- 21.2 Joanna Hardy sought the Council's views on how hallmarking requirements should be publicized at an upcoming Antiques Fair. The Council **agreed** that the Dealer's Notice should be displayed on all stands (UK and international), and a letter would be provided to the organising committee from the London Assay Office.

**DECISION:** The Dealer's Notice to be displayed on all stands at the fair.

**ACTION:** Will Evans will have arranged for a hallmarking instruction letter to the organising committee by the end of May.

### **Date of next meeting:**

Council briefing Wednesday 24<sup>th</sup> July 2024 09.30 - 12.00 (via zoom)

Council meeting Monday 14<sup>th</sup> October 2024, tbc Goldsmith's Hall, London