TO: LICENSING AND SAFETY COMMITTEE 10 OCTOBER 2013

SCRAP METAL DEALERS ACT 2013 Chief Officer: Environment and Public Protection

1 INTRODUCTION

1.1 This report provides detail on the new Scrap Metal Dealers Act 2013 (the Act) which received Royal Assent on 28 February 2013 and was implemented on 1 October 2013.

2 SUPPORTING INFORMATION

- 2.1 The Act provides for two different types of licences a site licence and a mobile collector licence (carrying on business otherwise than at a site). Both licences will be valid for three years from the date of issue.
- 2.2 A site licence requires all of the sites at which the licensee carries on the business as a scrap metal dealer within the local authority area to be identified and a site manager to be named for each site. They will then be permitted to operate from those sites as a scrap metal dealer, including transporting scrap metal to and from those sites from any local authority area.
- 2.3 The mobile collector licence will authorise the licensee to operate as a mobile collector in the area of the issuing local authority, permitting them to collect any scrap metal as appropriate. This includes commercial as well as domestic scrap metal. The licence does not permit the collector to collect from any other local authority area. A separate licence should be obtained from each local authority from which the individual wishes to collect in. A collector's licence does not authorise the licensee to carry on a business at a site within any area.
- 2.4 The Act repeals the Scrap Metal Dealers Act 1964 and the system of registration of Motor Salvage Operators under the Vehicles (Crime) Act 2001. All those previously authorised by these scheme will now be treated as scrap metal dealers.
- 2.5 The Act will allow local authorities the power to refuse to grant or revoke licences if a person is considered unsuitable based on a number of factors including any relevant criminal convictions. The Act will also provide local authorities and police officers with powers of entry and inspection and creates closure powers for unscrupulous dealers who operate without a licence. It extends record keeping requirements and requires verification of persons that dealers are transacting with, along with extending the offence of buying metal with cash to itinerant metal collectors.
- 2.6 There are transitional provisions in place so that currently registered persons are required to submit applications by 15 October to be deemed to have a temporary licence which is valid until a licence decision is issued. It is recommended that such decisions should be made by 1 December. Persons who are not currently registered can apply from 1 October but must wait for a licence to be issued before commencing work as a scrap metal dealer.
- 2.7 Local Authorities will be able to charge an appropriate fee for licences to recover the costs of administering and checking compliance with the regime. Different fees will be specified for grant, renewal and variation and are likely to differ for site and collector licences due to the workload involved.

2.8 No method of deciding applications is set out in the Act, but it is suggested that given the rights to make representations where a licence application is going to be refused, revoked or varied, it would be appropriate for these cases to be heard by a panel of elected Members.

Background Papers LGA Guidance for Scrap Metal Dealers Act

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