

Bolton Council

Report to: Executive Cabinet Member
Environmental Services

Date: 7th October 2013

Report of: Director of Environmental Services

Report No: ECMES/38/13

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Report Title: Scrap Metal Dealers Act 2013

Non-Confidential: This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose: To inform members of the new legislative requirements for scrap metal dealers (including motor salvage operators).

Recommendations: The Executive Cabinet Member is recommended to:

- Approve the introduction of the two new scrap metal licences.
- Considers whether the provision of a Basic Disclosure is required as part of the application process.
- Approve the proposed fee structure.

Decision

Background Doc(s): Scrap Metal Dealers Act 2013
LGA Guide to the Scrap Metal Dealers Act 2013

Signed: _____
Leader / Executive Member

Monitoring Officer

Date: _____

1.0 Background

- 1.1 The Scrap Metal Dealers Act 2013 replaces the previous registration system for scrap metal created by the 1964 Scrap Metal Dealers Act and Motor Salvage Operators the Vehicle Crimes Act 2001.
- 1.2 It introduces a new licensing regime. Every scrap metal dealer will be required to have a licence, and operating without one will be a criminal offence. The definition of scrap metal dealers is extended to now include motor salvage operators.
- 1.3 The new legislation will allow council's to be able to refuse a licence where the applicant is judged not to be a suitable person to operate as a scrap metal dealer.
- 1.4 The aim is to improve the operating standards of those dealers who do not operate in the same way as the majority of reputable dealers.
- 1.5 The Home Office is looking to commence the new regime from 1st October 2013, with a transitional period so that there is minimal disruption to existing scrap metal dealers. The enforcement of the new regime is scheduled to commence from 1st December 2013.

2.0 New Licences

- 2.1 Anyone carrying on a business as a scrap metal dealer will be required to have a licence. The licence will be for a three year period. Trading without a licence will be a criminal offence.
- 2.2 Two licences will be available:
 - Site Licence
 - Collector's Licence

A dealer will only be permitted to hold one type of licence in any one local authority. They cannot hold both a site and mobile collector's licence from the same council.

- 2.3 Existing dealers who make an application between 1st - 15th October 2013 will be deemed to have a licence under the 2013 Act, and be able to continue trading, until the Council makes a decision on whether to grant or refuse their application.
- 2.4 If an existing dealer fails to make application before 15th October 2013 their licence will deem to have lapsed on 16th October 2013. They would be required to make a new application but would not be legally permitted to trade until the licence has been granted.
- 2.5 Other scrap metal dealers, not previously registered, will be able to apply for a licence from 1st October but will have to wait for their licence to be granted before they can legally trade.
- 2.6 The Council will require appropriate suitability checks on the applicants, including:

- whether they have been convicted of a relevant offence or subject to any relevant enforcement action.
- have previously been refused a scrap metal dealers licence
- have previously been refused a relevant environmental permit or registration
- have had a scrap metal dealers licence revoked

The Local Government Guidance recommends a Basic Disclosure certificate should form part of the evidence to determine the applicant's suitability.

3.0 Fees

3.1 In setting the fees the Council must have regard to the Provision of Service Regulations 2009 and relevant case law, in particular the Court of Appeal of *Hemmings v Westminster City Council*.

3.2 Fees will take into account the following:

- all activity required with processing and granting a licence
- the costs of staff associated with supporting the service
- costs of provision of advice and guidance
- carrying out inspections to ensure compliance
- training of staff and members

3.3 It is proposed that the fees for a scrap metal dealers licence will be £650.00 for a three year site licence and £450.00 for a three year collectors licence. Please see attached table of fees – appendix 1.

4.0 Procedure

4.1 Following the introduction of the Scrap Metal Dealers Act 2013 the Councils Scheme of Delegation requires amendment, this is to reflect the new legislation and in particular the provision of a site and collectors licence.

4.2 It is proposed that the power to grant, issue or renew, vary and refuse a licence be delegated to the Director of Environmental Service (or nominated officer).

4.3 In cases where an applicant or licensee receives a notice from the Council setting out that it proposes to refuse an application or to revoke or vary a licence, the applicant or licensee may make a representation to the Council within the prescribed time. All representations will be considered by the Licensing and Environmental Regulation Committee who will determine the matter.

5.0 Recommendations

4.1 The Executive Cabinet Member is recommended to:

- Approve the introduction of the two new scrap metal licences.
- Considers whether the provision of a Basic Disclosure is required as part of the application process.
- Approve the proposed fee structure contained within appendix 1.
- Approve the procedure outline at 4 within the report.

Table of Fees – Appendix 1

	FEE
SITE	
Application and renewal of site licence	£650.00
Application to change from collectors licence to site licence	£650.00
VARIATION	
Application to change the name of the licensee on a site licence	£350.00
Application to change the site on site licence	£350.00
Application to change the site manager on site licence	£350.00
COLLECTOR	
Application and renewal of collectors licence	£450.00
Application to change from site licence to collectors licence	£450.00
VARIATION	
Application to change name of licensee on collectors licence	£350.00
MINOR VARIATIONS	
Administration charge e.g. change of trading name, home address etc	£34.00ph