

Licensing Committee
10 March 2014

SCRAP METAL DEALERS ACT 2013 - AN UPDATE

1 Purpose

- 1.1 To update Members on the progress on implementing the new licensing regime introduced by the Scrap Metal Dealers Act 2013.

2 Recommendations/for decision

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| 2.1 | For Members to note and discuss the arrangements to date in implementing the Scrap Metal Dealers Act 2013. |
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3 Supporting information

- 3.1 Members last received a report on the new licensing regime introduced by the Scrap Metal Dealers Act 2013 (the Act) in November 2013. At that time the committee approved the arrangements to implement the new Act and agreed the delegations in respect to refusals, revocations and variations to licences. As the Act had not commenced at that time, (commencement being the 1 December 2013) it was agreed that a further report be brought before Licensing committee in March 2014 to review the arrangements in implementing it.
- 3.2 To date the licensing services have received 27 applications for Scrap Metal Dealers licences. Of that 8 are for site licences, authorising the licensee to carry on the business at a site or sites in the Vale and 19 are for collectors which enables the carrying of a business as a mobile collector. Of the applications the licensing services have issued 19 licences. The licence has to be displayed in a prominent place accessible to the public in the case of site licences and in respect to a collectors licence, on any vehicle being used by a collector, in a manner which enables it easily to be read by a person outside the vehicle.
- 3.3 The application process relates to the suitability of the applicant, which is largely determined by the applicant's criminal history. Applicants are required to submit a criminal disclosure with their application. Only two applicants have produced disclosures with relevant offences. In both cases and in accordance with the Act and the approved delegations the Licensing Services Manager, after discussion with the Chairman of Licensing Committee put the applicants on notice that the Council were minded to refuse and the reasons why. They were given the opportunity to make representation either in writing or orally. One did not respond and was therefore refused. The other chose to make an oral representation and after a lengthy discussion and taking into consideration all the facts and circumstances a licence was granted. The licensee has agreed to bring his records into the office for inspection in six months and submit another criminal disclosure after one year.
- 3.4 In addition to the applications the licensing services have received a number of enquiries from businesses as to whether they require a licence. The

definition of a dealer is widely drawn in that it is defined as someone carrying on the business which consists wholly or in part of buying or selling scrap metal. However guidance issued by the Local Government Association more helpfully says that generally where the sale of the metal is incidental to the main type of work or business undertaken then a licence will not be needed. Ultimately the decision is a subjective one and requires the licensing services to seek information regarding, for example the percentage of turnover, advertising, whether the purchase of scrap metal is an integral part of the business or is the metal sold as a by-product from a manufacturing process and what happens to any waste metal that is collected by the business.

- 3.5 Licensing services continue to work closely with Thames Valley Police and the Environment Agency through the Metal Theft Working Group. Unfortunately a dedicated police team, Operation Precious is to be disbanded in Spring this year. The police have identified two Neighbourhood officers to assist licensing services with inspections and complaints. The objective for the first twelve months is to ensure the record keeping requirements of the legislation is being met by the licensed dealers and to ensure all businesses that need licensing are compliant.
- 3.6 Formal action has been required in respect to one dealer. The business in question was registered with the Council as a scrap metal dealer and motor salvage operator before the Act was introduced. The business was invited to make an application under the new licensing regime but failed to make a complete application. Attempts to resolve the situation were unsuccessful and eventually their application was returned and they were advised that they were not licensed and therefore could not trade. Subsequently the licensing services received reports from Thames Valley Police that they were still trading. A joint visit was organised with the police and the Environment Agency. It was obvious that the site was being used as a motor salvage business and consequently a Closure Notice has been served on the business. If the site continues to be used the licensing services will apply to the Magistrates Court for a Closure Order. Should there be any further developments Members will be informed at the meeting.

4 Options considered

- 4.1 None

5 Reasons for Recommendation

- 5.1 To ensure implementation of the new licensing regime in respect to scrap metal dealers.

6 Resource implications

- 6.1 Fees have been calculated to recover the full costs of running the service.

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Background Documents	None