

# LICENSING COMMITTEE



Report subject	<b>BCP Council Scrap Metal Dealer Policy</b>
Meeting date	10 December 2020
Status	Public Report
Executive summary	The purpose of this policy is to highlight the requirements of the Act by providing guidance to new applicants, existing licence holders, consultees and members of the public on how the act is administered and enforced.
Recommendations	<b>It is RECOMMENDED that:</b>  <b>Members consider the draft policy in Appendix 1 and amend as necessary to create the final version for ratification by Full Council</b>  <b>Members consider and agree the single set of fees proposed for applications made under the Scrap Metal Dealers Act 2013 in the BCP Council area as set out in Appendix 2</b>
Reason for recommendations	The Scrap Metal Dealers Act 2013 has no requirement, for a Council to have in place a formal policy for dealing with applications made under the Scrap Metal Dealers Act 2013.  However, in line with 'Best Practice' BCP Council has chosen to adopt a formal policy for this purpose.

Portfolio Holder(s):	Councillor May Haines– Community Safety
Corporate Director	Kate Ryan – Corporate Director for Environment & Community
Report Authors	Nananka Randle, Licensing Manager
Wards	Council-wide
Classification	For Decision

## Background

1. The Scrap Metal Dealers Act 2013 was introduced in response to the continuous increase in metal theft driven by the global rise in commodity prices and the recognition that the existing regulation of scrap metal dealers was ineffective. The Home Office has estimated that there were 80,000 – 100,000 reported metal theft offences in 2010/11 alone and is costing the economy up to an estimated £260m per year.
2. The impact of metal theft within communities can be immense, ranging from:
  - Disruptions to rail services
  - Loss of power to homes/businesses
  - Interruptions to telecommunications
  - Theft of lead from church roofs
  - Theft of bus shelters, lightning conductors, street signs,
  - Theft of gully and manhole covers
  - Theft of war and grave memorials

All have serious economic and social implications for communities, and can result in the loss of national infrastructure, loss of heritage and loss of life.

3. The key provisions of the Act include: -
  - Requiring all individuals and businesses to complete an enhanced application process to obtain a scrap metal dealer licence. Local authorities will have the power to turn down unsuitable applicants.
  - Giving local authorities the power to revoke a licence.
  - Requiring all sellers of metal to provide personal identification at the point of sale which is then recorded by the scrap metal dealer.
  - Extending the offence of buying metal with cash to itinerant metal collectors.
  - New powers for the police and local authorities to enter and inspect sites.
  - Creating a central public register, hosted by the Environment Agency, of all individuals and businesses licensed as scrap metal dealers.
  - Widening the definition of a scrap metal dealer to include motor salvage operators.

4. Two types of licences have been specified in the Act, each licence is valid for a period of three years: -
  - **Site Licence**

All sites where a licensee carries on business as a scrap metal dealer have to be identified, and a site manager has to be named for each site. This licence allows the licensee to transport scrap metal to and from these sites from any local authority area.
  - **Collector's Licence**

This allows the licensee to operate as a collector in the area of the issuing local authority. It does not allow the collector to operate in any other local authority area, so a separate licence has to be obtained from each council the collector wishes to operate it. The licence does not authorise the licensee to operate a site; to do so they will need a site licence from the relevant local authority.
5. There are currently 15 scrap metal dealers with site licences and 18 scrap metal collectors with collector's licences registered within the BCP Council area.
6. A person may NOT hold more than one collector's licence issued by the same local authority but may hold more than one licence, if issued by different authorities.

### **Policy**

7. The policy sets out how applications for licences under the Scrap Metal Dealers Act 2013 will be administered and information contained within the Policy is in part lifted from the legislation to assist applicants. (Appendix 1)

Applicants and those processing applications must always have regard to the Scrap Metal Dealers Act 2013.

### **Fees**

8. The power to set fees has been passed to individual local authorities, so that any fees levied in each local area is set by reference to the actual costs to each authority. There will be additional income from the licence fees which are set on a cost recovery basis.
9. The fees cannot be used to support enforcement activity against unlicensed scrap metal dealers.
10. Currently within BCP there are three sets of fees for the issuing of licences under this legislation and it is proposed to introduce a single set of fees. (Appendix 2)

### **Options Appraisal**

11. To consider the draft policy and decide if it requires amending to produce a final version ready for ratification by Full Council.
12. To consider and agree the fees as proposed.

### **Summary of financial implications**

13. The fee structure is based on a cost recovery basis as set out in Appendix 2.

### **Summary of legal implications**

14. There is no legal requirement to have a Scrap Metal Dealers Policy however it is considered good practice. The policy and fee structure will be reviewed every 5 years

### **Summary of human resources implications**

15. Delivery of this is within the existing resources of the Licensing Team.

### **Summary of sustainability impact**

16. Not Applicable

### **Summary of public health implications**

17. Not Applicable

### **Summary of equality implications**

18. An EINA will be submitted to the Equalities team

### **Summary of risk assessment**

19. Not Applicable

### **Background papers**

Scrap Metal Dealers Act 2013

<https://www.legislation.gov.uk/ukpga/2013/10/enacted>

### **Appendices**

Appendix 1 – Draft BCP Council Scrap Metal Dealers Policy

Appendix 2 – Proposed fees for 2021-2026