



**MILTON KEYNES
COUNCIL**

SCRAP METAL DEALERS

Policy

September 2013

1.0 POLICY STATEMENT

- 1.1 This document sets out Milton Keynes Councils approach to discharging its powers and responsibilities as required by the Scrap Metal Dealers Act 2013. Including the issue, review and enforcement of scrap metal site and collectors licences. It also sets out the arrangements that the Council has put in place for ensuring compliance with the legislative requirements.
- 1.2 The power of issue, review and enforcement of the licences are vested in Cabinet and duly authorised officers from the Regulatory Unit under the schedule of delegated powers described in this document.

2.0 LEGISLATION

- 2.1 The legislation that applies to scrap metal dealers should be read in conjunction with this policy. The relevant legislation is as follows:
 - Scrap Metal Dealers Act 2013
 - Scrap Metal Dealers Act 2013 (Commencement and Transitional Provisions) Order 2013

Guidance on the application of the above legislation can be found in the following documents:

- Local Government Association Guide to the Scrap Metal Dealers Act 2013
 - Local Government Association Get in on the Act Scrap Metal Dealers Act 2013
 - Local Government Association Enforcement Guide
 - Local Government Association Fees guide
 - Local Government Association Councillor handbook
 - Local Government Association Tackling Metal Theft Toolkit
- 2.2 The Scrap Metal Dealers Act 2013 replaces the previous registration system under the Scrap Metal Dealers Act 1964 and the Motor Salvage Operators Regulations 2002 and establishes a new licensing regime. Every scrap metal dealer is required to have a licence and operating without one is a criminal offence. The definition of scrap metal dealers now also incorporates motor salvage operators.
 - 2.3 A scrap metal dealer is defined under the Act as someone whose business consists wholly or partly in buying or selling scrap metal, whether or not the metal is sold in the form in which it was bought; or carries on a business as a motor salvage operator.
 - 2.4 In order for anyone to carry on business as a scrap metal dealer they have to have a licence. Licences last for 3 years. There are two types of licences:
 - **Site licence** – all sites where a licensee carries on a business as a scrap metal dealer have to be identified, and a site manager has to be

named for each site. The licence allows the licensee to transport scrap metal to and from those sites from any local authority area.

- **Collectors licence** – this allows the licensee to operate as a collector in the area of the issuing licensing authority only. It does not allow the collector to operate in any other local authority, so a separate licence has to be obtained from each council area the collector wishes to operate in. 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.
- 2.5 A dealer can only hold one type of licence in any one local authority area. They cannot hold both a site and mobile collectors licence from the same Local Authority.
- 2.6 The new licensing regime commences on 1st October 2013.
- 2.7 A collector is defined in the Act as a person who carries on a business as a scrap metal dealer otherwise than at a site, and regularly engages in the course of that business in collecting waste metal including old, broken, worn out or defaced articles by means of door to door visits.
- 2.8 A site is defined in the Act as any premises used in the course of carrying on a business as a scrap metal dealer (whether or not metal is kept there). A dealer also includes someone carrying on a business as a motor salvage operator. A business that wholly or in part recovers salvageable parts from the motor salvage operator or re sale, and then sells the rest of the vehicle for scrap, wholly or mainly involves buying written off vehicles and then repairing and selling them off or wholly or mainly buying or selling motor vehicles for the purpose of salvaging parts from them or repairing them and selling them off.
- 2.9 Scrap metal includes any old, waste or discarded metal or metallic material, and any product, article or assembly which is made from or contains metal and is broken, worn out or regarded by its last holder as having reached the end of its useful life. This does not include second hand goods unless they are made from or contain metal that is broken or worn out. The definition does include platinum and a range of other rare metals that are now being used in catalytic convertors. The following is not considered to be 'scrap metal'
- a) gold
 - b) silver
 - c) any alloy of which 2 percent or more by weight is attributable to gold or silver.

- 2.10 Scrap Metal Dealers are also required to have planning permission to operate a site and are required to have permits or exemptions from the Environment Agency to operate a scrap metal site under the Environmental Protection Act. Those transporting metal to a scrap metal site for profit are required to be registered as a 'waste carrier'. Waste carriers must ensure that the waste goes to a properly licensed or exempt site, they must complete a waste transfer note which must include a description of the waste and be signed by the carrier and the person to whom the waste is given or sold.

3.0 LICENCE APPLICATIONS

- 3.1 The Regulatory Advice and Licensing Team are responsible for the administration of applications.
- 3.2 Any application must be in the prescribed form and include the necessary information.
- 3.3 Detailed information is required to accompany the application including details of bank accounts that are used and applicants including any directors, shadow directors and company secretaries must provide an up to date Basic Disclosure to assess their suitability. Photographic evidence of the applicants identification will also be required in the form of a Passport or Driving Licence.
- 3.4 On receipt of an application the Council must determine whether the applicant is a suitable person to carry on a business as a scrap metal dealer. In assessing the suitability of the applicant the Council will take into account all information considered to be relevant. Applicants behaviour in the previous operation of their business will also be taken into account.
- 3.5 Consultation will be undertaken with the Police, the Environment Agency, The Regulatory Unit and the Planning department to help ascertain whether the applicant is considered a suitable person.
- 3.6 Should the Disclosure show that the applicant has been convicted of a relevant offence which is unspent the application a decision on whether or not the applicant is a suitable person to hold a licence will be made.
- 3.7 Lack of planning permission or registration with the (ICO) Information Commissioners Office under the Data Protection Act would both be considered as relevant factors but would not on their own make the applicant be considered as an unsuitable person.
- 3.8 Other factors when considering the applicants suitability include whether:
- The applicant or site manager has been convicted of a relevant offence, or subject to any relevant enforcement action.
 - The applicant has previously been refused a scrap metal dealers licence or an application to renew a licence has been refused.
 - The applicant has previously been refused a relevant environmental permit or registration
 - They had previously held a scrap metal dealers licence that has been revoked.

- 3.9 In addition to the information contained on the Basic Disclosure document consultation will be undertaken with the Environment Agency and possibly other local authorities to check for any relevant offences not shown on the disclosure.
- 3.10 A scrap metal dealer who holds a site licence must display a copy at each site identified on the licence, a dealer who holds a collectors licence must display a copy of the licence on any vehicle that is being used in the course of the dealers business so it can be easily read by a person outside the vehicle.

4.0 FEES

- 4.1 Fees for applications are set by the Council. A detailed breakdown of the envisaged workload by application type is detailed in the Annex .

Single Site Licences

On application the applicants will attend an application interview to submit the paperwork and so that the applicants identification can be verified. Suitability will be assessed by checking the application and accompanying documentation, history and also by liaising with other internal and external agencies.

A site visit will be conducted. Applications will be referred to the Head of Regulatory Services for a decision in certain circumstances.

It is anticipated that following grant annual inspections will be undertaken.

Currently the fee for a single site licence is £405

Multiple Site Licences (per additional site)

These will incur an additional cost to cover additional application visit and annual inspections needed for any extra sites.

Currently the fee for each additional site is £205

Mobile Collectors

On application the applicant will attend an application interview to submit the paperwork and so that the applicants identification can be verified. As collectors require a licence for each areas that they operate in it is predicted that a number of applicants will not reside in this district. As opposed to inspections that are undertaken when applications for site licences are required with regard to mobile collectors it is anticipated the applicant will be given the opportunity to attend the council for a meeting to assess the application and the applicants proposed method for record keeping. In addition a licence has to be issued that is capable of being displayed on the vehicle and has to last for 3 years it is therefore not feasible to issue a licence on a piece of paper a more robust licence will be issued.

It is anticipated that following grant records for collectors will be inspected twice a year.

Currently the fee for a mobile collector is £350

4.2 For all typed of licence - If a licence is not granted the Regulatory Compliance Manager has the discretion to give a refund of any costs not incurred for example inspection/issue of licence.

4.3 A variation for both types of licence for change of details only is £20 Variation for change of licence type is £120

5.0 REPRESENTATIONS

5.1 Where it is proposed to reject an application (or revoke/vary it) the applicant will be notified as soon as is reasonably practicable what the council has decided and the reasons for it having taken into account any representations made by the applicant. If having conducted the assessment of an applicants suitability the council is to refuse the application, the applicant will be written to inform them and informed of their right of appeal to the Magistrates' Court.

6.0 APPEALS

6.1 Appeals against a decision to refuse revoke or impose conditions on an application can be made to the magistrates' court. They must be made within 21 days of the applicant being given notice of the decision.

7.0 LICENCE CONDITIONS

7.1 The ability to impose conditions is limited, conditions can only be imposed

where the applicant or any site manager has been convicted of a relevant offence or where the council is revoking a licence when a condition can be imposed, until the revocation comes into effect. One or both of the following conditions can be imposed, the conditions specify that:

- The dealer can receive scrap metal only between 09:00 and 17:00
- Any scrap metal received has to be kept in the form the dealer received it for a set period of time, which cannot be more than 72 hours.

8.0 VARYING THE LICENCE

8.1 Dealers can apply to vary a licence from a site licence to a collectors licence or vice versa, and have to apply to vary the licence where there are any changes in certain details including change of the name of the licensee, any change in the sites and any change in the details of the site managers. Relevant costs will apply.

8.2 Variation cannot be used to transfer the licence from one person to another, anyone wanting to hold a licence to be a scrap metal dealer has to apply for their own licence and cannot take over an existing licence, including where a business has been taken over.

9.0 NATIONAL REGISTER

9.1 When a licence is issued by the council the details are sent to the Environment Agency who will maintain a register of all licences issued in England.

9.2 Similarly any licences that are revoked must also be notified as with any variations that are granted

10.0 ENFORCEMENT

10.1 All enforcement action will be consistent with the Milton Keynes Council Enforcement Policy and the Regulators Compliance Code which aims to ensure a risk based targeted and transparent approach to enforcement.

10.2 The following principles will be applied:

- Proportionate in applying the law and ensuring compliance
- Consistency of approach
- Targeted enforcement action
- Transparent about how the local authority operates and what those regulated may expect
- Accountable for the local authority's actions

10.3 A dealer must not receive scrap metal from a person without verifying the persons full name and address by using an acceptable form of identification.

10.4 A dealer must not pay for scrap metal except by a non transferable cheque, or electronic transfer this includes paying in kind with goods or services.

10.5 The following information must be recorded if any scrap metal is received records should be retained for a 3 year period:

- The description of the metal, including its type (or types if mixed), form, condition, weight and any marks identifying previous owners or other distinguishing features.
- The date and time of its receipt
- If the metal is delivered in or on a vehicle, the registration mark
- If the metal is received from a person, the full name and address of that person
- If the dealer pays for the metal, the full name of the person who makes the payment acting for the dealer.

If the dealer received the metal from a person, the dealer must keep a copy of any document which the dealer uses to verify the name and address of that person. If paid by cheque the dealer must keep a copy of the cheque, if paid by electronic transfer the dealer must keep the receipt identifying the transfer if available.

10.6 If the dealer disposes of any metal, the dealer must record the following information:

- the description of the metal, including its type (or types if mixed), form and weight
- the date and time of its disposal
- if the disposal is to another person, the full name and address of that person

- if the dealer receives payment for the metal (whether by way of sale or exchange), the price or other consideration received.

Where the disposal is in the course of a business under a collectors licence the dealer must record the following information:

- the date and time of the disposal
- if the disposal is to another person, the full name and address of that person

- 10.7 All records should be made available for inspection by an authorised officer at any reasonable time.
- 10.8 A closure notice can be issued if the council is satisfied that the premises are being used by a scrap metal dealer in the course of their business and that the premises are not a licensed for such a purpose.
- 10.9 If the premises continue to be used as part of the business or there is reasonable likelihood that it will be so used in the future after the service of a closure notice the magistrates court can make a closure order requiring the premises to be closed immediately and remain closed or for the use of the premises be discontinued immediately.
- 10.10 Visit by enforcement officers will often be conducted by two officers and as per council policy any visits undertaken will be risk assessed prior to the visit.

11.0 SCHEDULE OF DELEGATIONS:

Matters to be dealt with	Cabinet	Officer		
Policy Approval	X			
Fee Setting	X			
Processing Applications and supply of information to external agencies		X		
Entry, Inspection and Enforcement		X		
Determination of licence where no relevant offences or Police representations		X		
Determination of licence where applicant has relevant offences or Police representation received		X		
Refusal of Licence		X		
Variation/imposition of conditions		X		
Revocation of Licence		X		