

SCRAP METAL DEALERS ACT 2013

Guidance for Applicants

INTRODUCTION TO THE SCRAP METAL DEALERS ACT 2013

1. The Scrap Metal Dealers Act 2013 (“The Act”) came into effect on 1 October 2013 and is designed to tackle the recent growth of metal theft offences. The Act aims to raise trading standards across the scrap metal industry; requiring more detailed and accurate records of transactions to be kept and requiring scrap metal dealers to verify the identity of those selling metal to them. The Act gives the Local Authorities and the Police more powers to take enforcement action against unscrupulous operators.
2. The Act replaces the previous Scrap Metal Dealers Act 1964, the legislation linked to it and Part 1 of the Vehicles (Crime) Act 2001. The Act creates a single licensing regime for the scrap metal recycling and vehicle dismantling (motor salvage operators) industries.
3. Under the Act, anyone wishing to carry on a business of dealing or collecting scrap metal – including motor vehicles – must now obtain a licence to do so.
4. It is an offence to carry on a business as a scrap metal dealer without the appropriate licence. This offence is punishable on summary conviction with a fine not exceeding level 5 on the standard scale (currently £5,000.00).

DO YOU NEED A SCRAP METAL DEALERS LICENCE?

5. You need a licence if you ‘carry on a business as a scrap metal dealer’.
6. The definition of ‘carrying on a business as a scrap metal dealer’ is set out in the legislation as being:
 - Carrying on a business which 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
 - Carrying on a business as a motor salvage operator (so far that it does not fall within paragraph (a)).
7. Carrying on a business as a *motor salvage operator* is further defined as being a business which consists of:
 - (a) Wholly or partly recovering salvageable parts from motor vehicles for re-use or sale and subsequently selling or otherwise disposing of the rest of the vehicle for scrap
 - (b) wholly or mainly in buying written-off vehicles and subsequently repairing and reselling them,
 - (c) wholly or mainly in buying or selling motor vehicles which are to be the subject (whether immediately or on a subsequent re-sale) of any of the activities mentioned in paragraphs (a) and (b), or
 - (d) Wholly or mainly in activities falling within paragraphs (b) and (c).

8. A person who manufactures articles is not regarded as a scrap metal dealer if that person only sells scrap metal as a by-product of the manufacturing process (or those metals are surplus to the manufacturing process).

TYPES OF LICENCE

9. The Act has introduced two types of licence:

<i>SITE LICENCE</i>	<p>A site licence is required by anyone carrying on a business as a scrap metal dealer at a site located within the Borough of Sutton</p> <p>The application can be used to licence multiple sites within the Borough. Each site must have a nominated “site manager”.</p> <p>A site licence allows the licence holder (and, in the case of a company, any employees of that company) to operate from that site as a scrap metal dealer. This includes collecting and transporting scrap metal from third party businesses located in any area of England and Wales without the need for a separate collectors licence from each authority.</p> <p>A Site Licence holder cannot regularly engage in collecting scrap metal on a door to door basis however a site licence holder is permitted to collect scrap metal from residential addresses by arrangement or appointment.</p>
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<i>COLLECTORS LICENCE</i>	<p>Applicants who do not operate out of a site, but instead operate on a mobile basis (e.g. door-to-door collecting) can apply for a collector’s licence.</p> <p>A collector’s licence allows the named licence holder to operate as a mobile collector in the area of the issuing local authority only. The Licence can be used to collect scrap metal from commercial as well as domestic premises and transport it to a licensed site.</p> <p>The licence does not permit the collector to collect scrap metal from premises within any other local authority area. If you intend to collect scrap metal from premises outside the Borough of Sutton, you will need to obtain a separate licence from each borough in which you wish to collect.</p> <p>A collector’s licence does not allow you to carry on a business at which you buy or sell metals at a site; however as a collector you can transport and sell your metals to any licensed site in any area.</p>
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APPLICATION PROCESS

10. Applications must be made on the Council's application form and you are advised to consult the guidance notes provided on that form when completing the application.
11. Your application must include:
 - A completed application form signed by all parties
 - The appropriate fee for the type of application being made
 - An endorsed passport-sized photograph (for each person named on the application form)
 - A Basic Disclosure Certificate** from Disclosure Scotland (www.disclosurescotland.co.uk) for each of the following:
 - The applicant (or applicants if a partnership)
 - Company Directors, Shadow Directors and the Company Secretary (for company applicants only)
 - Each site manager (for site licence applications only)
12. Application forms are available from the Licensing Team

Why we require a Basic Disclosure Certificate

13. The Act states that the Council cannot issue a licence unless it is satisfied that the applicant is a suitable person to carry on the business of dealing in scrap metal.
14. Details of the matters we must take into consideration when assessing the suitability of an applicant are set out in the Act and include ensuring that anyone involved in running or managing a scrap metal dealer business has not been convicted of a relevant offence.
15. Relevant offences are set out in the guidance notes on the application form. We therefore require a disclosure of convictions to assist in this process.
16. Any Disclosure Certificates submitted with your application must be the original certificate and must have been issued no earlier than one month before the date of your application.
17. We will return the original Disclosure Certificate to you within 48 hours so that you can use it to make applications to other Local Authorities if needed.

PLANNING PERMISSION

18. If you are applying for a site licence you may require planning permission. Please contact the Councils Planning Department prior to making any application.

DETERMINATION OF YOUR APPLICATION

19. Once a valid application has been received, we will consult with a number of parties to assist us in our determination.
20. We will notify the following bodies of your application, and provide a copy of your application form to them if they request it:
 - The Environment Agency
 - The Metropolitan Police - Licensing Unit
 - Council Planning Service
 - Council Business Rates Department
21. We ask the bodies we consult with to respond to us within 21 days.
22. If you are applying for a Site Licence, we will visit the site or sites at which you intend to carry on a business of scrap metal dealing. If you are applying for a Collectors Licence we will visit you at the place where collection vehicles are stored or parked overnight.
23. During the visit, we will examine the measures you have in place to comply with the requirements of a licence (see Guidance to Licence Holders) and we may also ask you for additional documentation such as a copy of your waste carrier's licence, proof of suitable vehicle insurance (including business use) for vehicles used to collect scrap metal or proof that you are eligible to work in the UK.
24. We will notify you of our decision on your application within 28 days from the date that your application was deemed to be valid.

IF WE RECEIVE REPRESENTATIONS REGARDING YOUR APPLICATION

25. If we receive representations about your application from any of the people we consult, you will be given the opportunity to make your own representations in response.
26. Where an application receives representations, the application will be considered by Committee, at which you will be entitled to attend and make oral representations.
27. If the Committee determines to grant the application subject to the prescribed conditions, those conditions are:
 - that the dealer must not receive scrap metal except between 9 a.m. and 5 p.m. on any day;
 - that all scrap metal received must be kept in the form in which it is received for a specified period, not exceeding 72 hours, beginning with the time when it is received.
28. If your application is refused, or if we grant the application subject to the above conditions, you are entitled to appeal against that decision to the magistrate's

court within 21 days. Full details of how to contact the Magistrates Court will be provided in our letter notifying you of the decision.

IF YOUR APPLICATION IS GRANTED

29. A licence lasts for three years after which time it must be renewed if you wish to continue to carry out a business as a scrap metal dealer.
30. We recommend that you apply to renew your licence no later than 3 months before the current licence expires, in case a meeting is needed to determine your application at that time.

- **Site Licence**

If the application is granted we will issue the licence holder with a licence document together with a second copy for public display. We will also provide a copy of our guide for licence holders, explaining the obligations on you as a licence holder.

A copy of the licence must be displayed in a place that is accessible to the public on each site for which the licence has effect.

- **Collectors Licence**

If your application is granted we will issue you with a licence document, together with a copy for public display in each vehicle you use. We will also provide a copy of our guide for licence holders, explaining the obligations on you as a licence holder.

You must display a copy of the licence on any vehicle whilst it is being used in the course of your business. You must display a copy in a manner which enables it to be easily read by a person outside the vehicle (affixed to the windscreen).

CHANGES TO THE LICENCE

31. Any change to the name of the licence holder, a site at which scrap metal dealing takes place or the name of the site manager must be notified to the council in writing within 28 days of the change taking place.
32. This process of notification is known as a **Variation** and a fee of is payable.