

East Lindsey District Council

Scrap Metal Licensing Fees Policy 2016

Written January 2016

Contents

1. Introduction
2. Who needs a licence?
3. Application for a site licence
4. Application for a collector's licence
5. Transfer/Amendment of an existing licence
6. Replacement of existing licence
7. Renewal of licences
8. Conditions
9. Enforcement Action
10. Publishing and revising the fee policy

Related documents

The following documents have been consulted when drafting this policy

Scrap Metal Dealers Act 2013

Part 1 of the Vehicles (Crime) Act 2001

Scrap Metal Dealers Act 1964

Regulators Compliance Code

East Lindsey District Council Enforcement Policy

DCLG Guidance Fee Setting

Appendix 1 – KW Fees working document

1. Introduction

East Lindsey District Council has previously granted licences for Scrap Metal persons, businesses and Motor Salvage Operators under the following the Scrap Metal Dealers Act 1964 and Part 1 of the Vehicles (Crime) Act 2001.

This legislation has now been superseded by the Scrap Metal Dealers Act 2013. The Act has been introduced with a new definition of 'scrap metal dealer' and 'scrap metal' has also been revised to ensure they reflect the 21st Century scrap metal industry. Its aim is to raise trading standards across the scrap metal industry by requiring more detailed and accurate records of transactions as well as a requirement to verify the identity of those selling metal to them and a total prohibition on making cash payments for scrap.

East Lindsey District Council will inspect sites twice a year and use additional powers to ensure compliance with the Act.

The fee generated by the Scrap Metal Dealers Act 2013 is not designed to provide income into the Local Authority and must only be charged on a cost neutral basis.

2. Who needs a licence

The Act defines a 'scrap metal dealer', a site, a mobile collector and scrap metal. A dealer is defined under s21(2) of the Act as someone carrying on a business which consists wholly or in part of buying and selling scrap metal, whether or not the metal is sold in the form in which it is bought.

However a manufacturing business that sells scrap metal created only as a by-product of the processes it uses, or because it has a surplus of materials, is not caught by this definition. (s21 (3))

A site is defined in the Act under s22 (9) as 'any premises used in the course of carrying on business as a scrap metal dealer (whether or not metal is kept there).

It further states that '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.

There are provisions within the Act allow the Secretary of State by order to amend the definition of 'scrap metal'. The provisions currently state that gold, silver, and any alloy of which 2% or more by weight is attributable to gold or silver is not considered to be 'scrap metal'.

A person/business is unable to hold both licences, they must either hold a collectors' or a site licence.

The licence is valid for three years, the person/business must also provide proof of a waste carriers licence held with the Environment Agency and an original basic disclosure certificate from Disclosure Scotland (formally called a CRB check).

Applicants can apply online at www.disclosurescotland.co.uk [Disclosure Scotland Contact Details](#) - Disclosure Scotland, PO Box 250, Glasgow, G51 1YU, Phone: 0870 609 6006, Fax: 0870 609 6996, Email: info@disclosurescotland.co.uk

3. Application for a site licence

The site licence is issued by the local authority in whose area a scrap metal site is situated and requires all of the sites at which the licence holder carries on the business as a scrap metal dealer to be identified, as well as a site manager to be named for each site. In doing so they are permitted to operate from those sites as a scrap metal dealer, including transporting scrap metal to and from those sites from any local authority area.

A site is defined in the Act under s22 (9) as 'any premises used in the course of carrying on business as a scrap metal dealer (whether or not metal is kept there).

The fee for a site license is based upon a fixed standard fee of **£430.00**.

4. Application for a collector's licence

A collector's licence authorises the licence holder to operate in the area of the issuing local authority only, permitting them to collect any scrap metal as appropriate. This includes commercial as well as domestic scrap metal. The licence does not permit the collector to collect from any other local authority area – a separate licence is required in each local authority area that the person wishes to collect. A mobile collector's licence does not authorise the licence holder to carry on a business at a site within any area. Should a fixed site be used then the person must obtain a site licence from the relevant local authority. There is no restriction regarding the location to where the collector can transport and sell scrap metal.

The fee for a site licence is based upon a fixed standard fee of **£180.00**.

5. Amendments to the Licence

Where a licence holder wishes to amend the licence an application must be made to the council, for which a fee is payable. The fee must accompany the application to amend the licence. The power to amend the name of the licensee does not include the power to transfer the licence from one person to another.

When a licence is issued there will be a period of up to seven days where any corrections will be made to the licence free of charge.

If the council themselves deem it necessary to alter conditions there will be no fee payable.

The fee for this service is based upon a fixed standard fee of **£55**.

6. Replacement of existing licence

If a licence is damaged, lost or a replacement is required there will be a fee for this service. This is a standard fee for both Site and Collector's licences.

The fee for this service is based upon a fixed standard fee of **£20**.

7. Renewal of licence

The fixed standard fees stated above for 3. Application for a site licence and 4. Application for a collector's licence; will be the charges for renewal of the licence.

8. Conditions

Section 3 allows the local authority, when issuing a licence, to include conditions on it if the licence holder or site manager has been convicted of a relevant offence, these are set out in Subsection (8) of the Act:-

- that the dealer must not receive scrap metal except between 09.00 and 17.00 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 time when it is received.

Section 7 requires that a register of licences issued under the Act is maintained by the Environment Agency in England and the Natural Resources Body for Wales in Wales. As the local authority we will provide the appropriate information to the Environment Agency on all licences issued in our area. The register is openly accessible to the public and includes the name of the authority which issued the licence; the name of the licence holder; any trading name; the type of licence; the site(s) covered by the licence and expiry date of the licence. East Lindsey District Council will provide a link on their website to the Environment Agency's national database.

7. Enforcement Action

There are several offences outlined within the Act for enforcement action, a breakdown of these offences is listed below;

Unlicensed Sites

Section 9 deals with the closure of unlicensed sites. It gives a police officer or local authority power to issue a closure notice on a non-residential premises being used as an unlicensed scrap metal dealer's site. Once issued it allows the police or local authority (unless cancelled) to apply to a Magistrates Court for a closure order who are able to make the order where it is satisfied that the premises continues to be used as a dealer's site or there is a reasonable likelihood it will in the future. The order can require a site to close immediately or for a sum to be retained by the court until the requirements of the court are met.

An appeal can be made to the Crown Court against the making of a closure order and a discharge order as well as decisions not to grant a closure or discharge order.

Failure to comply with a closure order is an offence, and a police officer or authorised person can (using force if necessary) enter premises and do anything reasonably necessary to ensure compliance with the closure order. It is an offence to obstruct a police officer or authorised person in exercising their powers which is punishable, along with failure to comply with a closure order, of a fine not exceeding level 5 (£5000).

Displaying a copy of the licence

Section 10 requires the licence holder to display a copy of the licence. For site operators this must be in a prominent place in an area accessible to the public. For mobile collectors, it must be displayed on any vehicle, if used, in a manner which enables the licence to be easily read by a person outside the vehicle. A criminal offence is committed by any scrap metal dealer who fails to fulfil these requirements. This offence is punishable on summary conviction with a fine not exceeding level 3 on the standard scale.

8. Publishing and revising the fee policy

This fees policy will be published on the East Lindsey District Council website at www.e-lindsey.gov.uk. The fees detailed in this policy have been determined based on experience of dealing with licensing historically with consideration of the changes the new Act has introduced. Some of the processes are new and therefore estimates have been made as to the cost of providing these services. In addition, at the time of producing this policy some elements of the licensing regime are still awaiting further regulation by government which may impact on the processes and the time involved and may therefore result in a revision to the proposed charges.

This policy will be revised no later than January 2019.

Appendix 1

SCRAP METAL ACT 2013 – SITE LICENCE FEES

Action	Admin. Time (H:M)	Licensing & Liaison Officer Time (H:M)	Premises Visit (H:M)
Enquiry Received & Service Request Noted	0:05		
Information Pack sent out	0:05		
Record receipt of application	0:05		
Check application is valid	0:15		
Set up site on system	0:05		
Enter details onto computer system	0:30		
Produce acknowledgement letter	0:05		
Make up new premises file	0:10		
Check Actions		0:15	
Examine application		0:30	
Inspection of Premises			3:00
Travel Time			6:00
Prepare Licence	0:15	0:15	
Enter relevant details on to computer system	0:10		
Check and authorise licence documents		0:30	
Send licence documents	0:05		
Send Police, etc. copy of documents	0:15		
TOTAL	2hrs 5 mins	1hr 30mins	9 hours

Individual Staffing Costs	
Admin (Licensing) Officer = 2 hours 5 mins @ £26 per hour	£54.16
Licensing Officer = 1.5 hours @ £33 per hour	£49.50
Premises Visit = 9 hours @ £33 per hour Based on two inspections a year	£297
Misc. Costs Print costs of application forms and licences Complying reports for Committee Updating media and website	£26.00
TOTAL SITE LICENCE COST	£426.66

N.B. Staff time per hour includes salary and on costs

Site Licence Fee **£430** for three years

£144.33 a year

SCRAP METAL ACT 2013 – COLLECTORS LICENCE FEES

Action	Admin. Time (H:M)	Licensing & Liaison Officer Time (H:M)
Enquiry Received & Service Request Noted	0:05	
Information Pack sent out	0:05	
Record receipt of application	0:05	
Check application is valid	0:15	
Set up collector on system	0:05	
Enter details onto computer system	0:30	
Produce acknowledgement letter	0:05	
Make up new premises file	0:10	
Check Actions		0:15
Examine application		0:30
Prepare Licence	0:15	0:15
Enter relevant details on to computer system	0:10	
Check and authorise licence documents		0:30
Send licence documents	0:05	
Check paperwork records and compliance with the Act		1:30
Send Police, etc. copy of documents	0:15	
TOTAL	2hrs 5 mins	3 hours

Individual Staffing Costs	
Admin (Licensing) Officer = 2 hours 5 mins @ £26 per hour	£54.16
Licensing Officer = 3 hours @ £33 per hour	£99.00
Misc. Costs Print costs of application forms and licences Complying reports for Committee Updating media and website	£26.00
TOTAL COLLECTORS LICENCE COST	£179.16

N.B. Staff time per hour includes salary and on costs

Collectors Licence Fee **£180.00** for three years

£60 a year