

Safer and Stronger Communities Overview and Scrutiny Committee

3 April 2014

Update on the Scrap Metal Dealers Act 2013



Report of Terry Collins, Corporate Director, Neighbourhood Services

Purpose of the Report

1. The purpose of this report is to provide members with an update on the progress of the work relating to the Scrap Metal Dealers Act 2013.

Background

2. This report is a follow up to the report on 23 September 2013 by the Consumer Protection Manager on the implementation of the new Act which is designed to make a positive impact on metal theft.

Detail

3. The Scrap Metal Dealers Act 2013 came into force on 1 October 2013. It consolidates scrap metal dealers and motor salvage operators under one licensing regime. The term scrap metal dealers include scrap metal dealer sites and mobile collectors. The Act introduced a licensing system requiring anyone operating as a scrap metal dealer to apply for a licence. Previously the only requirement was to register with their local authority. Councils are able to refuse to grant a licence where the applicant is judged not to be a suitable person to operate as a scrap metal dealer. This ability to regulate who is, and who is not, a scrap metal dealer is designed to improve the operating standards of those dealers who do not operate in the same way as the majority of reputable dealers.
4. There are two types of licence specified in the Act:

Site licence

All the 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 those 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 in. The licence does not authorise the licensee to operate a site. It should be noted that a dealer could only hold one type of licence in any one local authority area so they will have to decide whether they are going to have a site or a mobile licence in any one area. They cannot hold both a site and mobile collector's licence from the same council.

5. The fees for the licences are set out below

Type of Licence	Fee
Site Licence - New	£354
Site Licence Variation	£162
Site Licence Renewal	£338
Collectors Licence - New	£219
Collectors Licence Variation	£155
Collectors Licence Renewal	£219

6. The Act contained transitional arrangements with dealers and motor salvage operators registered immediately before 1 October being deemed to have a licence under the Act from that date.
7. Provided the dealer submitted an application for a licence on or before 15 October their deemed licence will last until the council either issues them with a licence or gives them notice of the decision to refuse them a licence, although they will be able to continue trading pending an appeal against the decision not to grant a licence.
8. Any new applicants would need to have their licence determined before they commenced operating as a scrap metal dealer.
9. Anyone interested in becoming a scrap metal dealer would need to submit the required paperwork and fee to the Licensing Section of Environment, Health and Consumer Protection. Every application is then passed to the Police, Environmental Health, Trading Standards and the Environment Agency with a further consultee of Planning for site applications. Every application that receives an objection is determined by General Licensing Committee
10. The Act does contain some specified offences which are specific to metal theft and Licensing services have produced guidance to members of the General Licensing Committee which should assist in determining applications in advance of a full policy being produced.

Applications

11. Since 1 October 2013, the Council have received 147 applications for either a site or a collector's licence. Of these 147 we have issued 94 licences which are made up of 25 site licences and 69 mobile collectors.
12. A map illustrating where the applicants are based is attached as Appendix 2 to this report. Some applicants are based outside County Durham. The table below shows the local authority areas where other applicants are based

Authority Name	Number of applications	Number Granted	Number pending
Gateshead	2	2	
Sunderland	15	7	8
Darlington	2	1	1

13. Durham Constabulary has objected to 37 applications. Predominantly these objections related to collectors although 5 were for sites. These applications will be determined by Members of the General Licensing Registration Sub-Committee. The first sub-committee meeting took place on 28 February 2014. A further 16 committee hearings are scheduled until the 9 April.
14. Up to 21 March 14 of these objections, 3 sites and 11 collectors, had been considered by committee. All have been granted but one site was granted with the following condition:
 - 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
15. The number of objections received by Durham Constabulary for dealers that wish to collect in County Durham is proportionately higher than in neighbouring authorities. This shows that the severity that they have placed on the information and convictions that have been gathered around metal theft. Whilst, to date, all of the licences have been granted it does demonstrate the level of scrutiny that each application will receive and by bringing those dealers before committee in the first instance it allows for any future misconduct matters to be dealt with more swiftly and effectively should the need arise.

Enforcement

16. A key part to the success of the regime will be effective education, enforcement and intelligence gathering and sharing. To assist this, Licensing enforcement have excellent close working relationship with Durham Constabulary and it is expected that this will continue.
17. The Consumer Protection Manager has already given talks and awareness sessions to Neighbourhood Wardens as to the scope of the act and have agreed a single point of contact to forward any intelligence and information that they receive relating to activities surrounding collecting and metal theft.
18. Now that the majority of applicants are licensed it is possible to program a series of inspections with all licensed sites and collectors. This will also assist in increasing the intelligence base in this area.

Recommendation

19. Members of the Committee are asked to note information contained within the report and consider any issues they would like to progress.

Background Papers

Progress report following the Overview and Scrutiny Review of the 'Use of Legislation to tackle Metal Theft in County Durham' – Safer and Stronger Communities Overview and Scrutiny Committee 23 September 2013

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Appendix 1: Implications

Finance – None

Staffing – None

Risk - None

Equality and Diversity / Public Sector Equality Duty – None

Accommodation - None

Crime and Disorder – Information within the report is aimed at contributing to reducing the theft of metal within County Durham

Human Rights – None

Consultation – None

Procurement – None

Disability Issues – None

Legal Implications – Information within the report is focused on implementation of the Scrap Metal Dealers Act 2013.