

## Chichester District Council

### SCRAP METAL DEALERS ACT 2013 (the 'Act')

This document is issued as a general guide to assist applicants with making a complete and correct application for, or variation of, a Scrap Metal Dealers Licence or Motor Salvage Operators Licence in compliance with the requirements of the new Scrap Metal Dealers Act 2013. It is not intended to be a fully comprehensive summary of the statutory legislation and its associated regulations and guidance.

If you would like further advice, please contact the Licensing Authority (the 'Authority'):

Licensing Team, Health Protection & Environmental Management, Chichester District Council, East Pallant House, 1 East Pallant, Chichester, West Sussex, PO19 1TY – Tel: 01243 534740 or by email: [licensing@chichester.gov.uk](mailto:licensing@chichester.gov.uk)

#### **General**

The Act repeals the Scrap Metal Dealers Act 1964 (and linked legislation) and Part 1 of Vehicles (Crime) Act 2001, creating a revised regulatory regime for the scrap metal recycling and vehicle dismantling industries.

The Act incorporates the separate regulatory scheme for motor salvage operators under the Vehicles (Crime) Act 2001 into this new regime. This is to replace the current overlapping regimes for the vehicle salvage and scrap metal industries with a single regulatory scheme. The Act also revises the definition of 'scrap metal dealer' and 'scrap metal' to ensure they reflect the twenty-first century scrap metal industry.

***Therefore any existing Licence holders will need to apply for a new licence under the 2013 Act in order to ensure business continuity.***

The Act defines a "scrap metal dealer" as *a person who is for the time being carrying on business as a scrap metal dealer, whether or not authorised by a licence.*

It further states that "scrap metal" includes:

- (a) Any old, waste or discarded metal or metallic material, and
- (b) 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.

The following is not considered to be "scrap metal":

- (a) Gold,
- (b) Silver, and
- (c) Any alloy of which 2 per cent or more by weight is attributable to gold or silver.

Section 1 of the Act requires that a scrap metal dealer obtains a licence in order to carry on business as a scrap metal dealer. It will be an offence to carry on a business as a scrap metal dealer in breach of the requirement to hold a licence. This offence is punishable on summary conviction with a fine not exceeding level 5 on the standard scale.

## **Types of Licence**

There are two types of licence, one for a site and the other for a mobile collector (for those carrying on business otherwise than at a site).

A **site licence** lets you buy and sell scrap metal from a fixed location within the council area. Each site will have a nominated Site Manager included on the Licence.

A **collector's licence** allows you to travel within the council area to collect scrap metal. You may not take this metal back to a site that you run within the council area in order to sell it.

You may only apply for one type of licence in each council area, but you can apply to run multiple sites in that area.

## **Assessing the suitability of an applicant**

A Council cannot issue a licence unless it is satisfied that the applicant is a suitable person to carry on business as a scrap metal dealer.

In the case of a partnership this means assessing the suitability of each of the partners in the partnership, while in the case of a company it means assessing the suitability of any directors, company secretaries or shadow directors.

As part of the application process the applicant will have to provide a **Basic Disclosure** certificate with the application form for each of the above as is relevant to their circumstances (as well as for each of the proposed Site Managers). This is to enable us to determine whether or not any person(s) proposed have a relevant conviction (details of which will be released in due course by the Home Office). Refusing to provide a Basic Disclosure certificate would be grounds under paragraph 4(2) of Schedule 1 of the 2013 Act for the local authority to decline to proceed with the application.

These certificates can be applied for at: <http://www.disclosurescotland.co.uk/apply/individuals/>

Please note: *Any Certificate produced should be no more than three months old and we will return these to you once we have dealt with them.*

It should be noted that in assessing an applicant's suitability the council can consider any information it considers relevant. Applicants' behaviour in the operation of their business, such as the fact they have been operating for a considerable period of time without planning permission for their site, or that they are not registered with the Information Commissioner's Office (ICO) under the Data Protection Act, could be factors that are considered.

## **Transitional arrangements**

The transitional arrangements were implemented by a Commencement Order made in mid-August 2013.

It is anticipated that applications will be able to be made from 1<sup>st</sup> October 2013.

Any dealer currently registered under the 1964 Scrap Metal Dealers Act, or a Motor Salvage Operator already registered under the 2001 Vehicles (Crime) Act, will be "*deemed to have*" a licence under the 2013 Act, until the council grants a licence or sends the dealer notice of its

decision to refuse the licence under the 2013 Act, provided that they submit an application on or before the 15th October.

If they do not submit an application then any deemed licence will lapse on 16th October. If they wish to trade in the future they would then need to submit an application, but would not be able to legally trade until a licence had been granted.