



**Hinckley & Bosworth  
Borough Council**

**FORWARD TIMETABLE OF CONSULTATION AND DECISION MAKING**

LICENSING COMMITTEE                      10 FEBRUARY 2020  
COUNCIL    24 MARCH 2020

WARDS AFFECTED:                              ALL WARDS

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**SCRAP METAL DEALERS POLICY**

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**Report of Director (Environment & Planning)**

1.     PURPOSE OF REPORT

1.1    To consider the policy in light of the recent consultation exercise and for the Licensing Committee to recommend the policy for adoption by the Council.

2.     RECOMMENDATION

2.1    That Licensing Committee agrees the Scrap Metal Dealers Policy as set out in Appendix A to this report for approval to Council for adoption.

3.     BACKGROUND TO THE REPORT

3.1    The Scrap Metal Dealers Act 2013 revised the regulatory regime for the scrap metal recycling and vehicle dismantling industries.

3.2    The 2013 Act repealed the Scrap Metal Dealers Act 1964 and the Vehicle Crime Act 2001, replacing them with a more robust licensing regime that gives a local authority the powers to refuse the grant of a licence where the applicant is deemed unsuitable; and the powers to revoke a licence should a licence holder become unsuitable.

3.3    The 2013 Act aims are to raise the standards across the scrap metal industry and to help achieve this, licensed operators have to keep detailed records of their transactions, and verify the identity of those selling scrap metals to them.

- 3.4 In order for anyone to carry on business as a scrap metal dealer they must obtain a licence. Scrap metal dealer licences are valid for three years and trading without a licence is a criminal offence.

There are two types of licence specified in the Act:

### **Site licence**

- 3.5 An individual may hold more than one licence issued by different local authorities, but may not hold more than one licence issued by any one authority.
- 3.6 A Site Licence authorises the licensee to carry on a business at any site in the authority's area which is identified in the licence and must:
- name the licensee;
  - name the authority;
  - identify all the sites in the authority's area at which the licensee is authorised to carry on business;
  - name the site manager of each site; and
  - state the date on which the licence is due to expire.
- 3.7 A site licence holder can transport scrap metal from third party businesses by arrangement from any other local authority area providing it is in the course of the business from that site. A site licence holder cannot regularly engage in collecting waste materials and old, broken, worn out or defaced articles by means of visits from door to door in the area they are licensed or elsewhere, as this would constitute carrying on a business as a mobile collector. It would be acceptable to collect by arrangement, for instance where a motor salvage operator is asked to transport a damaged vehicle from an address to their site.
- 3.8 If a site licence holder uses self-employed mobile collectors to collect scrap metal which will be processed by the site, each collector would need a mobile collector's licence.

### **Collector's licence**

- 3.9 A Collector's Licence authorises the licensee to carry on business as a mobile collector in the authority's area only and must:
- name the licensee;
  - name the authority; and
  - state the date on which the licence is due to expire.
- 3.10 A separate collector's licence is needed for each council area that a mobile collector collects scrap metal. A mobile collector can dispose of or sell scrap metal in any local council area regardless of whether a collector's licence is held for that area.
- 3.11 A mobile collector will need a licence to buy or sell any scrap metal collected. Even if the material is provided free of charge, a licence is required in order to sell it on as, in contrast to the 1964 Act, definition of a scrap metal dealer in this Act includes any person who "carries on a business which consists wholly or partly in buying or selling scrap metal."

- 3.12 A mobile collector's licence will cover any employees working for that business. If they are not employed directly by that mobile collector's business and are self-employed, they will need their own collector's licence even if they are collecting metal from the same van as a person who has a mobile collector's licence.
- 3.13 Mobile collectors and site licence holders need to ensure they comply with relevant environmental legislation and regulation when carrying out their business.

### **Council Policy**

- 3.14 There is no statutory requirement for a local authority to have a formal Scrap Metal Dealers policy; however, a Council can choose to adopt such a policy. This is for the benefit of business owners as well as reassuring the general public and other public bodies. It also reinforces the Regulators Code when dealing with applications by promoting effective practice, and ensuring proportionate, consistent and targeted activity, whilst developing an understanding between regulators and those we regulate.

### **Alternative Option**

- 3.15 The Council could choose not to introduce a policy on Scrap Metal Dealers, however to do so would be contrary to best practice and may lead to a lack of clarity on the application of the legislation.

## **4. EXEMPTIONS IN ACCORDANCE WITH THE ACCESS TO INFORMATION PROCEDURE RULES**

- 4.1 The report is to be taken in open session.

## **5. FINANCIAL IMPLICATIONS [AG]**

- 5.1 None arising from this report.

## **6. LEGAL IMPLICATIONS [MR]**

- 6.1 Set out in the report.

## **7. CORPORATE PLAN IMPLICATIONS**

- 7.1 The policy will contribute towards the Councils priority ambitions of helping people to stay healthy, active and protected from harm along with encouraging growth, attracting business, improving skills and supporting regeneration.

## **8. CONSULTATION**

- 8.1 The draft policy was approved by the Licensing Committee for consultation.

- 8.2 The draft policy was sent to the following consultees:-

- Leicestershire Force Licensing
- The Environment Agency
- British Transport Police;
- Neighbouring Authorities;
- British Metals Recycling Association (BMRA)

- Neighbouring local authorities;
- HBBC Licensed Scrap Metal Dealers and Hinckley BID

8.3 Three responses were received from licensed dealers as well as a response from Hinckley BID all responses were positive. No amendments to the policy have been made.

## 9. RISK IMPLICATIONS

9.1 It is the Council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.

9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.

9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) Risks		
Risk Description	Mitigating actions	Owner
Reputation, Legal, Regulatory	The Council has implemented the Act, Officers are trained and we follow the Home Office Guidance.	Mark Brymer

## 10. KNOWING YOUR COMMUNITY – EQUALITY AND RURAL IMPLICATIONS

10.1 An equality impact assessment has not been conducted as this is primary legislation and applies nationally and there are no implications locally as enforcement work in respect of scrap metal will be carried out consistently on the basis of risk for all premises across the whole Borough.

## 11. CORPORATE IMPLICATIONS

11.1 By submitting this report, the report author has taken the following into account:

- Community Safety implications
- Environmental implications
- Procurement implications
- Planning implications
- Data Protection implications

Background papers: Scrap Metal Dealers Act 2013  
 Get in on the Act – LGA Briefing  
 Home Office Guidance SMDA  
 Home Office Suitability Guidance SMDA

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