



DERBY CITY COUNCIL

GENERAL LICENSING COMMITTEE 29 August 2013

Report of the Strategic Director of
Neighbourhoods

ITEM 5

Changes to licensing scrap metal dealers

SUMMARY

- 1.1 Changes are planned to the way scrap metal dealers are licensed which commence on 1 October 2013.
- 1.2 The report contains information about these changes and sets out the work that needs to be done and the proposed timescales involved.

RECOMMENDATION

- 2.1 To note the information contained in the report.

REASONS FOR RECOMMENDATION

- 3.1 To inform Members of the impending changes to the regulatory regime for scrap metal to be implemented through the provisions of the Scrap Metal Dealers Act 2013 and the increased duties and powers which this gives to the Council.

SUPPORTING INFORMATION

- 4.1 The Council currently regulates Scrap Metal Dealers (SMD's) within its area under the provisions of the Scrap Metal Dealers Act 1964 (1964 Act), the Vehicle (Crime) Act 2001 and Motor Salvage Operators Regulations 2002. Under this regime, SMD's must register with the Council. Currently, no fee is payable by the SMD.
- 4.2 The increase in metal theft offences in recent years has highlighted the ineffectiveness of the currently regulatory regime, and the Government's view is that some kind of reform is necessary.
- 4.3 In December 2012, the Government introduced some changes to this regime through Sections 145-147 of the Legal Aid Sentencing and Punishment of Offenders Act 2012 (LASPO 2012). In particular, it increased the penalties for the existing offences contained in the 1964 Act and introduced a new offence of buying scrap metal for cash.

- 4.4 In addition to this, during the course of 2012, the Scrap Metal Dealers Act 2013 (the 2013 Act) was introduced as a Private Members Bill. This received Royal Assent on 28 February 2013 and is due to come into force by means of a commencement order, on 1 October 2013.
- 4.5 On 8 August, guidance was issued by the Secretary of State on the main provisions of the 2013 Act along with details about the processes involved. The guidance is attached at Appendix 2 for information.
- 4.6 Guidance has also been issued in respect of setting fees and this is attached at Appendix 3. Officers are currently working through this guidance to propose a fee. The fees will need to be determined by the 1 October in time for applications to be received for Temporary Licences from existing licence holders. A special committee meeting will need to be arranged in September for this matter to be considered.
- 4.7 In preparation for implementing the further provisions set out in the Act, officers have prepared a draft Scrap Metal Policy. Further guidance has yet to be issued and so this document cannot be completed. Once finalised, a final draft version of this policy can be considered along with a consultation strategy. This must be in place before we start determining applications and will be done as soon as is possible.

OTHER OPTIONS CONSIDERED

- 5.1 None. Timescales are tight and there is a due process that must be followed.

This report has been approved by the following officers:

Legal officer	Olu Idowu
Financial officer	Amanda Fletcher
Human Resources officer	-
Service Director(s)	John Tomlinson
Other(s)	-

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – LGA Guide to the Scrap Metal Dealers Act 2013 Appendix 3 – Scrap Metal Dealer Act 2013: guidance on licence fee charges

IMPLICATIONS

Financial and Value for Money

- 1.1 Increased resources will be required to implement and run the new licensing regime. The Council will have to set a licence fee which must have regard to any guidance issued by the Secretary of State to cover these costs.

Legal

- 2.1 This information is set out elsewhere in the report. The Council will have responsibility for both the licensing administration and enforcement of the Act.

Personnel

- 3.1 Increased resources may be required to implement and run the new licensing regime.

Equalities Impact

- 4.1 No particular group(s) will be disadvantaged by issues arising from information contained in this report.

Health and Safety

- 5.1 None arising from this report.

Environmental Sustainability

- 6.1 None arising from this report.

Property and Asset Management

- 7.1 None arising from this report.

Risk Management

- 8.1 None arising from this report.

Corporate objectives and priorities for change

- 9.1 The information set out in this report supports the corporate priorities that the Council provides good quality services that meet local needs.