

### **Scrap Metal Dealers Act 2013**

The act repealed the Scrap Metal Dealers Act 1964 and consolidated scrap metal dealers and motor salvage operators under one licensing regime. The act states:

A person carries on business as a scrap metal dealer if the person -

- carries on a business which consists wholly or partly in buying or selling scrap metal, whether or not the metal is sold in the form in which it was bought, or
- carries on business as a motor salvage operator.

Local authorities are the main regulator but the act gives licensing authorities more powers, and can refuse a licence application, revoke licences if the dealer is considered unsuitable or condition site licences if appropriate. Local authority officers and the police have powers to enter and inspect premises to ensure that businesses are keeping correct records and operating within the act.

A person cannot carry on business as a scrap metal dealer in new the Forest district unless authorised by a licence issued by this council, under the act.

Anyone found to be carrying on business as a scrap metal dealer without a licence from the appropriate council is in breach of the act and could be found guilty of an offence and be liable to a fine not exceeding level 5 on the standard scale (£5,000).

#### **Types of licence**

There are two types of licence but you may only apply for either a site licence or collector's licence in a council area. Once granted a licence lasts for three years.

**A site licence** allows the business to operate from a fixed location within the council area. Scrap may be collected from various sources, including different council areas, but it must be sold from the site registered on the licence. The site must have obtained planning permission in order to run the business from the location and a nominated site manager will be stated the licence. A site manager is the individual who exercises day to day control and management of activities at the site.

A site means any premises used in the course of carrying on business as a scrap metal dealer (whether or not metal is kept there).

Multiple sites in the New Forest District area can be included on the one licence. Once granted the site licence must be displayed in a prominent place, in an area accessible to the public. Failure to do so could result in a criminal prosecution.

**A collectors licence** allows the holder to travel within the council area in a vehicle to collect scrap metal. A collector will regularly engage, in the course of that business, in collecting waste materials and old, broken, worn out or defaced articles by means of visits from door to door.

The collector may only operate in a council area if he/she has been granted a collectors licence by that local authority. Scrap metal should be taken to a business which holds a site licence in order to sell it. For mobile collectors, it is a legal requirement to display the licence

plate on any vehicle that is being used in the course of your business, in a manner which enables it to be easily read by a person outside the vehicle.

### **What is classified as scrap metal?**

- (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% or more by weight is attributable to gold or silver.

### **Record keeping**

Section 13 of the act states that a scrap metal dealer must record the following information:

#### **Received scrap metals**

- The description of the metal, including its type (or types if mixed), form, condition, weight and any marks identifying previous owners or other distinguishing features;
- The date and time of its receipt;
- If the metal is delivered in or on a vehicle, the registration number of the vehicle;
- If the metal is received from a person, the full name and address of that person;
- If the dealer pays for the metal, the full name of the person who makes the payment acting for the dealer.
- If the dealer receives the metal from a person, the dealer must keep a copy of any document which the dealer uses to verify the name or address of that person
- If the dealer pays for the metal by cheque, the dealer must keep a copy of the cheque.
- If the dealer pays for the metal by electronic transfer:
- The dealer must keep the receipt identifying the transfer, or
- If no receipt identifying the transfer was obtained, the dealer must record particulars identifying the transfer.

#### **Disposal of scrap metal**

- The description of the metal, including its type (or types if mixed), form and weight;
- The date and time of its disposal;
- If the disposal is to another person, the full name and address of that person;
- If the dealer receives payment for the metal (whether by way of sale or exchange), the price or other consideration received.

#### **Disposal of scrap metal by a licensed collector**

- The date and time of the disposal;
- If the disposal is to another person, the full name and address of that person.

All the information mentioned above must be kept by the licensed dealer for a period of three years beginning with the day on which the metal is received or disposed of.

A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 5 on the standard scale which can be up to £5,000.

### **Acceptable forms of ID**

Scrap metal dealers, whether they are based at a scrap yard, are a motor salvage operator or a mobile collector are obliged to verify the identity of anyone selling scrap metal to them. The only acceptable ID documents are:

#### **Photo ID**

- Valid UK photo driving licence Valid UK passport,
- Valid EEA passport
- Valid UK biometric immigration document

If the document from the list above does not show a current address, it must be accompanied by:

#### **Proof of address which must be less than three months old *when the scrap is received***

Bank or building society statement Credit or debit card statement

Council tax demand letter or statement Utility bill (not a mobile phone bill)

#### **Payment**

It is an offence under the act to pay cash for any scrap metal received or disposed of. You can receive or pay customers/sites via the below methods:

(a) By a non-transferable cheque (not made out to "cash").

(b) By an electronic transfer of funds (authorised by credit or debit card or otherwise).

#### **Changes that occur during the period of the licence**

Under the act, you are required to notify us of any change to the information you supplied on your original application form and that the grant of the licence was based upon, within 28 days of the change occurring. You can therefore apply to vary your licence (there will be a fee charged for this).

The options for variation are as follows:

1. Change of licensee's details (name and address).
2. Change from a site licence to a collector's licence or vice versa.
3. Changes to the site licensed (adding, removing or changing details).
4. Change of site managers.

A scrap metal dealer's licence (collector or site) is **not** transferable. Should you cease to carry on the business of a scrap metal dealer you must also inform us of that fact within 28 days.

#### **Other licences, permits, permissions and insurance**

If you carry or transport waste as part of your business with a view to making a profit you may also need a **waste carriers licence** from the Environment Agency **in addition** to the scrap metal dealer's registration. You can register online.

If you store or process metal at your site you may need an environmental permit. For further advice please call the Environment Agency on 08708 506506.

The vehicle insurer must be notified of the nature of the business and any vehicle used to transport metal must have this specified within the insurance documents. If it does not, you may be driving without insurance.

#### **Right of entry**

The act provides police constables or officers of a local authority with a right to enter and inspect the premises of licensed and unlicensed scrap metal dealers. Inspections will be carried out and this will include inspection of records to ensure that the requirements of the

Scrap Metal Dealers Act 2013 are being met. This may also include the inspection of any metals held at the site.

Inspections will normally be arranged with the site manager at a reasonable time, however “on the spot” visits may also take place.

Collectors’ vehicles may be stopped by the police and the licence must be available for inspection. Also the book used to record transactions should be able to be produced to an officer if requested. Due to the mobile nature of the business, it is expected that this is carried in the vehicle.

It is an offence punishable on summary conviction with a fine not exceeding level 3 on the standard scale (£1,000) to obstruct the right of entry or inspection or fail to produce the records that are required.

### **Trade associations**

- British Metals Recycling Association (BMRA)
- International Aluminium Institute
- International Lead Association
- Metal Bulletin

### **Use of personal data**

We are under a duty to protect the public funds we administer and to this end may use the information you provide on your application for the prevention and detection of fraud. We may also share this information with other bodies responsible for auditing or administering public funds for these purposes.

### **Application process**

Applicants must submit the following before a valid application can be processed;

- 1) Completed application form signed and dated
  - 2) Payment of fee (or contact number so officers can obtain a card payment)
  - 3) DBS basic disclosure (within 3 months old), for each applicant, director or partner.
- Detailed guidance can be found on the application form.

### **Will Tacit consent apply?**

No. Tacit consent does not apply as there is an overriding reason of public interest that mean that this process does not fall under the tacit consent parameters. You cannot consider your application is granted if you have not heard from us by a certain time.

### **How long does the process take?**

All scrap metal dealer licence applications are subject to a 28 day consultation period. Following the end of this period, the licence will be determined within 28 days.

### **Contact us**

Licensing Services  
Appletree Court  
Beaulieu Road  
Lyndhurst  
SO43 7PA  
Phone: 023 8028 5505  
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