



North Tyneside Council

## **Scrap Metal Licence** **Information for Applicants**

These guidelines have been produced to assist people who want to trade from a Scrap Metal Site or as a Scrap Metal Collector.

### **Introduction**

The Scrap Metal Dealers Act 2013 replaced the Scrap Metal Dealers Act 1964 and came into force on 1st of October 2013. The term scrap metal dealers include scrap metal dealer sites, motor salvage operators and mobile collectors.

This Guidance Note tells you:

- What legal requirements you must meet to get a licence
- What information we need from you to enable us to consider your application.

### **What are the legal requirements?**

#### **Licences**

In order for anyone to carry on business as a scrap metal dealer you must have a licence. Trading without a licence is a criminal offence. If convicted of trading without a licence the offender can be fined. The fine will be at Level 5 on the standard scale. Amendments to the size of the fines that courts can impose mean that when the new provisions come into force, a fine at that level will be unlimited.

There are two types of licence specified in the Act:

#### **Site licence**

A site is defined in the Act as 'any premises used in the course of carrying on business as a scrap metal dealer (whether or not metal is kept there)'. A dealer also includes someone carrying on business as a motor salvage operator.

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**

A collector is defined as a person who carries on business as a scrap metal dealer otherwise than at a site, and regularly engages in the course of that business in collecting waste materials and old, broken, worn out or defaced articles by means of door to door visits.

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 that the collector wishes to operate in. The licence does not authorise the licensee to operate a site; to do so you will need a site licence from the relevant local authority.

If you have employees collecting with you they will not require a licence if it can be proved that they are employed by you. Alternatively, any person collecting scrap metal will require a licence.

## **Period of Licence**

Site and Collector licences will last for a period of three years unless revoked.

## **Licensing Scheme**

Licensing under the Scrap Metal Dealers Act 2013 commenced on 1 October 2013. The ban on using cash to pay for scrap metal also came into force on that date.

## **How to apply for a new licence**

To apply for a scrap metal dealers licence you will need to supply the following:

- A completed application form
- 1 passport style photograph of you (Collectors) - (Countersigned on back to verify true likeness of you)
- Basic DBS disclosure certificate - original (must be dated within one calendar month of application)
- Appropriate fee
- Tax Check

## **Disclosure and Barring Service (DBS)**

Individuals living in England and Wales need to apply to DBS for a basic check via <https://www.gov.uk/government/publications/basic-checks>. Alternatively, an individual can use a 'Responsible Organisation' (RO) – a third party registered with DBS – to submit checks on their behalf. A list of Responsible Organisations can be found at <https://www.gov.uk/guidance/responsible-organisations>.

The current cost of a Basic Disclosure via the DBS will cost **£18.00** and the DBS aims to process the majority of applications within 14 days. A new CRB is required every 3 years.

## **Tax Check - From 4 April 2022**

HMRC is introducing a simple tax check that will take place when people renew their licences to deal in scrap metal. The tax check will simply confirm that applicants are registered for tax if they need to be.

If you are renewing your licence, you will need a tax check reference number which you can get by submitting your details into the online service. The licensing authority will use this to confirm with HMRC that you have completed a tax check and will then reach a decision on the licence in the usual way. [complete a tax check guidance](#)

In addition, all new applicants for a licence to deal in scrap will be required to confirm they understand their tax responsibilities and are aware of the guidance in order to be properly registered for tax in the future. In addition, all new applicants for a hackney carriage or private hire driver's licence or a private hire operator's licence will be required to confirm they understand their tax responsibilities and are aware of the guidance in order to be properly registered for tax in the future.

<https://www.gov.uk/guidance/changes-for-taxi-private-hire-or-scrap-metal-licence-applications-from-april-2022>

## **Renewal application**

All licences must be renewed after 3 years. Renewal is not guaranteed and subject to the same determination each period and a new DBS will be required.

## **Consultations on applications made**

Before a licence is granted or renewed the Licensing Section will consult with various officers and agencies. In particular the following may be consulted: (this list is non-exhaustive)

- Police
- Environment Agency
- Planning Authority
- Environmental Health

Written observations may be sought and taken into consideration when determining an application.

## **Determination of the application**

Each application will be assessed on its merits and individual circumstances, where appropriate, may be taken into consideration. The criteria used for determining an application will include the consideration of representations made and any relevant offences.

## **Representations**

Where a council proposes to reject an application (or revoke it or vary it) the applicant will be notified what the council proposes to do and the reasons for it. The applicant will be given an opportunity to make representations in writing or let the council know they wish to make representations in person. If the applicant does not make any representations, or does not say that they wish to, then the council can refuse the application or revoke or vary the licence.

Where the applicant makes representations the council has to consider them and if the applicant states they want to make oral representations the council must provide them with the opportunity to appear before a Nominated Council Officer.

## **Appeals**

Appeals against a decision by the council to refuse an application, to impose a condition on the licence or to revoke or vary the licence are to the Magistrates' Court. You have 21 days from the day on which you were given notice of the decision in which to appeal. The

Magistrates' Court then has the power to confirm, vary or reverse the council's decision and issue any directions it considers appropriate having regard to the Act.

### **Variation of Licence**

You can apply to vary a licence from a site licence to a collector's licence or vice versa, and have to apply to vary the licence where there are any changes in certain details under the Act.

The application has to be made to the council that issued the licence. A variation in a site licence has to be applied for where there are any changes relating to the name of the licensee on the licence; any change in the sites from which the licensee is authorised to carry on business; and any change in the details of a site manager.

In the case of a collector's licence a variation has to be applied for where there is a change in the details relating to the name of the licensee.

Failure to apply for a variation is an offence.

### **Selling your Business**

Licences are non-transferable and cannot be passed to a successor if you sell your business.

### **Enforcement**

The Council will actively enforce the provisions of the Scrap Metal Dealers Act 2013 within North Tyneside. All enforcement activities will be in accordance with the North Tyneside Council Enforcement Policy.

### **Complaints**

Should you wish to make a complaint they can be sent to the Senior Licensing Officer or can be directed through the Corporate Complaints procedure, copies of which are available at [www.northtyneside.gov.uk](http://www.northtyneside.gov.uk) or from the Customer First Centres.

For more information please contact: **Licensing Section – (0191) 643 2175**