

TELFORD & WREKIN COUNCIL

CABINET - 15 OCTOBER 2015

SCRAP METAL DEALERS ACT 2013

REPORT OF THE ASSISTANT DIRECTOR: HEALTH, WELL-BEING & PUBLIC PROTECTION

CLLR RICHARD OVERTON, LEAD CABINET MEMBER

Part (A) Summary Report

1. Summary of Main Proposals

- 1.1 For the Cabinet to consider the proposed level of Licence Fees for Scrap Metal Site and Collector's Licences.
- 1.2 For the Cabinet to consider delegating the Local Authority's powers in respect of the administration and enforcement under the Scrap Metal Dealers Act 2013 to the Council's Licensing Committee.

2. Reccommendations

- 2.1 It is recommended that Members approve the level of proposed fees to come into force on 1st November 2015
- 2.2 It is recommended that Members delegate the Local Authority's powers in respect of the administration and enforcement of the Scrap Metal Dealers Act 2013 to the Council's Licensing Committee.

3. Summary Impact Assesment

Community Impact	Do these proposals contribute to specific Co-Operative Council priority objective(s)?	
	Yes	Protect and create jobs as a "Business Supporting, Business Winning Council". Protect and support our vulnerable children and adults Ensure that neighbourhoods are safe, clean and well maintained
	Will the proposals impact on specific groups of people?	
	No	
Target Completion/Delivery Date	The proposed licence fees will be implemented on 1 November 2015.	
Financial/Value for Money Impact	Yes	The income budget for all licencing activity in 2015/16 is £0.187m which includes Scrap metal licences. The service is currently forecasting this level of income to be achieved in 2015/16. Income covers the cost of administering applications from dealers to operate and subsequent monitoring of compliance in

		<p>the borough. Any costs arising from enforcement cannot be recovered through licence fees and may result in cost pressures.</p> <p><i>GS 14/08/15</i></p>
Legal Issues	Yes	<p>The Scrap Metal Dealers Act 2013 Schedule 1(6) provides that an application must be accompanied by a fee set by the authority. In setting the fee the authority must have regard to any guidance issued by the Secretary of State. The costs of a licence should reflect the time spent assessing and administering applications, processing them, having experienced licensing officers review them, storing them, consulting on the suitability of the applicant, reviewing relevant offences, the decision on whether to issue a licence and the cost of issuing licences in a format that can be displayed. Consulting the local authority's enforcement records in order to determine the suitability of the applicant is chargeable within the licensing fee costs as are the costs associated with contested licensing applications.</p> <p>The licence fee cannot be used for enforcement against unlicensed scrap metal dealers.</p> <p>The administration of the licensing and enforcement of the Scrap Metal Dealers Act 2013 is a licensing function and as such should fall within the remit of the Licensing Committee.</p> <p><i>TS 31 July 2015</i></p>
Other Impacts, Risks & Opportunities	Yes	The level of fees set being unreasonable arising to a challenge by judicial review
Impact on Specific Wards	Yes	This report has Borough wide Implications.

Part B) – Additional Information

4. Information

a. The Scrap Metal Dealers Act 2013 came into effect on 1 October 2013.

b. The power to set licence fees has been passed to Local Authorities. The licence fee should cover the cost of the time spent administering and seeking compliance of the Act but it cannot cover the cost of enforcement activity against unlicensed operators. Any activity taken against unlicensed operators must be funded through existing funds.

- 4.1** On 19 September 2013 Cabinet Members determined an appropriate fee level for Telford & Wrekin Council. Officers proposed to review the licence fee in a year's time.
- 4.2** Officers have carried out a full review of all licence fees with support from Finance (including for Scrap Metal dealers) and now ask Cabinet Members to determine a proposed level of fees for the forthcoming year.
- 4.3** Draft fees are attached at Appendix A, together with benchmarking data on other local authorities' draft fees.
- 4.4** The Scrap Metal Dealers Act 2013 contains licensing and enforcement powers and duties. The Council has traditionally delegated authority for such functions to the Licensing Committee. Powers of licensing and enforcement have already been delegated by Cabinet to Licensing Officers. It would therefore be appropriate to delegate the oversight of these functions to the Licensing Committee.

5. Previous Minutes

CB 37 – 19 September 2013

CB10 – 26 June 2014

6. Background Papers

6.1 Scrap Metal Act 2013

6.2 LGA Guide to the Scrap Metal Dealers Act 2013

6.3 Scrap Metal Dealers Act 2013: Guidance on Licence Fee Charges – Home Office

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