Scrap Metal Dealers Act 2013
Information on the new Act

Do you buy, sell or collect Scrap Metal?

The Scrap Metal Dealers Act 2013 will be coming into force on 1st October 2013. The new legislation will require that any persons collecting, buying or selling scrap will require a Scrap Metal Dealer Licence that will be issued by Luton Borough Council.

All business that operates in Motor Salvage and/or Scrap Metal will need a licence under the Scrap Metal Dealers Act 2013. If you trade in more than one Borough or District you will need to apply to each Local Authority for a licence.

All individuals and businesses are to complete an enhanced application process to obtain a Scrap Metal Dealers Licence. There are two types of licences, a site licence and a carriers licence, both are valid for 3 years.

There will be a charge for this licence. (Councils are awaiting the fees to be set by the home office) There will be two types of licence – a site licence and a collectors licence.

An application needs to be made for your licence and a fee will be payable to the Council.

You will need to submit a basic criminal record disclosure form no older than a month old and photograph as part of the application process.

Any persons who carry out business as a scrap metal dealer without a licence may be liable on conviction to maximum fine of £5,000.

Your site licence will allow you to operate a site and collect any scrap relevant to that site.

Your collector’s licence will allow you to collect scrap only within the authority area that it was issued. You will need to apply for collector’s licences from separate authorities should you wish to operate in more than one Council area.

I have a registration do I need to apply under this new Act?

Yes. Persons that have a Scrap Metal Registrations under the 1964 Act and/or registered under the Motor Salvage Operators Regulations 2002 will need to apply under the new Scrap Metal Dealers Act 2013.

Can I change my existing registration into the new licence? How do I apply?

Yes. There is a transitional period where you can apply for the new licence. You need to have an application submitted to the Council by 15th October 2013. Applications will be accepted by the Council from 1st October 2013. The new licence will come in to force on 1st December 2013. If an applicant does not apply in time then the lapse of the temporary provision does not give a right of appeal.

Those that have an existing registration that hasn’t submitted an application under the new Scrap Metal Dealers Act 2013 by 15th October 2013 will have to apply afresh but will have to wait until the licence is issued.

Does an application fee apply?

Yes. This will be set locally and will be detailed with the application pack.

Do I need a basic disclosure to apply?

Yes, all individuals listed on an application will require a basic disclosure which can be obtained from www.disclosurescotland.co.uk. Please note that this will be required to be submitted with the application form and your request can take up to three weeks to be processed by Disclosure Scotland.

Do the Cash for Gold companies have to apply?

Gold, Silver, and any alloy of which 2 per cent of more by weight is attributed to gold or silver is not deemed a scrap metal. They will not need to apply for a licence under the Scrap Metal Dealers Act 2013.
How soon will I get the licence when I have applied?
The Local Authority will only issue or renew a scrap metal licence once satisfied that the applicant is a suitable person to carry on a business as a scrap metal dealer. Only then will the licence be issued. If the authority intends to refuse the application you will be notified and you will have the option to submit your objection and have a hearing in front of a panel of Councillors.

I have a site and a number of drivers that collect scrap how many licences do I need?
The site will need a site licence, that needs to be displayed at the site in a prominent place in an area accessible to the public, and each driver will need a licence copy that needs to be displayed in a manner which enables it easily to be read by a person outside the vehicle.

How do I know if I fall under the definition of a 'Scrap Metal Dealer'?
The Act defines a "scrap metal dealer" as a person who is for the time being carrying on a business as a scrap metal dealer, whether or not authorised by a licence. You will be required to hold a licence if you sell or buy scrap in the course of your business. Businesses that only undertake this on an occasional basis and it is not the primary purpose of business will not be required to be licensed.

The term "scrap metal" includes:
(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 per cent or more by weight is attributable to gold or silver.

I wish to collect scrap in a number of different areas
If you trade in more than one Borough or District you will need to apply to each Local Authority for a licence.

How do I know if I need a collectors licence?
A person or company will need a collectors licence if you carry on you business of but you do not have a licensed site.

Can I buy scrap metal for cash?
No – from the 1st October it is an offence for anyone to buy scrap metal for cash or by any form of payment other than a crossed cheque or electronic money transfer.

Will I have to keep records?
Yes. Holders of both site and collectors licences will be required to keep records and have proof of ID when collecting/ receiving metal. There is no longer an exemption for collectors.

Do I also have to have a Waste Carriers Licence?
Yes. To transport scrap metal you will also need a Waste Carriers Licence issued by the Environment Agency in addition to your Scrap Metal Licence. See www.environment-agency.gov.uk/business/sectors/wastecarriers.aspx

If you have any questions or would like an application please contact Licensing on 01582 546040 or email at licensing@luton.gov.uk
Thank you.