

Report of	Meeting	Date
Director of Public Protection, Streetscene and Community (Introduced by the Executive Member for Public Protection )	Executive Cabinet	19/11/15

## REVIEW OF SCRAP METAL LICENSING FEES

### PURPOSE OF REPORT

1. For the Executive Cabinet to consider the proposed update to the fees and charges associated with Scrap Metal Dealer Act 2013.

### RECOMMENDATION(S)

2. That the Executive Cabinet agrees the new fees to be implemented from 1st April 2016.

### EXECUTIVE SUMMARY OF REPORT

3. The Scrap Metal Dealers Act 2013 came into force on 1st October 2013, providing an updated licensing scheme for scrap metal sites and collectors.
4. Whilst retaining a principal regulator role for local authorities, the Act introduced a new and arguably tougher regulatory regime for scrap metal dealing and vehicle dismantling, with new powers permitting local authorities to refuse, review, suspend and revoke a licence for this purpose and to enter and inspect such premises.
5. Licences are issued for a period of 3 years and those existing sites and collectors were issued with licences in December 2013.
6. The Act also provided local authorities with the power to set locally (in accordance with statutory guidance to be issued on the matter) different charges for different type of metal dealers, on a cost recovery basis.
7. In May 2015 the regulatory services team was subject to an internal audit in relation to the setting of licensing fees, this included those relating to scrap metal dealers and collectors.
8. The report recommended that the fees set in 2013 should be reviewed and any changes implemented in April 2016 so that the licence renewals in December 2016 reflect any changes in fees.
9. The fees have been reviewed and the processes checked to ensure that the fees correspond to the costs incurred by the Council in administering the application and issuing the licence.
10. It should be noted that in 2013 a one-off licensing scheme set up fee of £68.71 was applied to each of the 7 scrap dealer site licences. This has been removed from the new fees structure as this is no longer applicable.
11. The proposed changes are as follows:

Type of Licence	Fee charged in 2013	Proposed fee from 1/4/16
Grant/Renewal- Scrap Metal Site Licence	£280.00	£180.00
Grant/Renewal- Scrap Metal Collectors Licence	£130.00	£115.00
Variation- Scrap Metal Site & Collectors Licence	£70.00	£70.00

<b>Confidential report</b> Please bold as appropriate	<b>Yes</b>	<b>No</b>
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<b>Key Decision?</b> Please bold as appropriate	<b>Yes</b>	<b>No</b>
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**REASONS FOR RECOMMENDATION(S)**

**(If the recommendations are accepted)**

12. The proposed fees reflect the costs to the Council in administering the Scrap Metal Licences in line with Home Office guidance.

**ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

13. The option to maintain the current level of fees was considered. However, we are required to ensure that the fees reflect the actual costs to the Council in administering the licences and the existing fees included additional costs associated with setting up the regime and the pay scale of the officers at that time. Therefore those fees were no longer applicable.

**CORPORATE PRIORITIES**

14. This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	

**BACKGROUND**

15. Attached in Appendix 1 to 3 are the process flow and costs breakdowns for the processing of the applications.
16. It should be noted that in 2013 a one off licensing scheme set up fee of £68.71 was applied to each of the 7 scrap dealer site licences. This has been removed from the new fees structure as this is no longer applicable.
17. The restructure of the Health, Environment and Neighbourhoods Service implemented in February 2014 resulted in the removal of the Public Protection Officers (PPO) post and the appointment of a Lead Licensing and Enforcement Officer (LEO) post. This has resulted in some changes to the hourly rate leading to a reduction in costs for the activities previously undertaken by the PPO's.
18. The calculated costs have been rounded to the nearest £5, as they had been in the original fees.

**IMPLICATIONS OF REPORT**

19. This report has implications in the following areas and the relevant Directors' comments are included:

Finance	X	Customer Services	X
Human Resources		Equality and Diversity	
Legal	X	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

## COMMENTS OF THE STATUTORY FINANCE OFFICER

20. The license fees have been set to recover the direct costs to the Council of providing the licenses. As such there is no impact to the Council's budget in setting these fees.

## COMMENTS OF THE MONITORING OFFICER

21. Under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 as amended functions under the Scrap Metal Dealers Act 2013 default to the Executive. The Government published draft regulations in January 2015 which enable local authorities to choose whether to retain the Scrap Metal Dealers Act 2013 as an executive function or make it a council function. If the Council decided to transfer the functions under the 2013 Act to the Council away from the Executive they could then be delegated to Licensing and Public Safety Committee with individual applications determined at a hearing before members of General Licensing Sub-Committee. However these amendment regulations have not yet been brought into force so licensing of scrap metal dealers remains at the time of writing (September 2015) exclusively an Executive function.
22. The Council must have regard when setting fees to statutory guidance issued by the Home Office. Fees must be set on a costs recovery basis. The licence fee cannot be used to fund enforcement activity against unlicensed scrap metal dealers.
23. The Council must also have regard to the European Service Directive 2006.

JAMIE CARSON  
DIRECTOR OF PUBLIC PROTECTION, STREETSCENE AND COMMUNITY

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
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