

Licensing Committee

Date of Meeting: 04 March 2019

Report Title: Review of the Scrap Metal Dealers Act 2013 Fees and Charges for the Period 2019 to 2022

Portfolio Holder: Councillor Ainsley Arnold – Portfolio Holder for Housing, Planning and Regeneration

Senior Officer: Frank Jordan – Executive Director Place and Acting Deputy Chief Executive

1. Report Summary

- 1.1. In accordance with the provisions of the Scrap Metal Dealers Act 2013, the Council is permitted to charge a fee for administering the statutory licensing for scrap metal dealers. The Council must set the fees on a cost recovery only basis as set out in the guidance issue by the Secretary of State. The purpose of this report is to request that the Licensing Committee approve the proposed fees as set out in the report.

2. Recommendation/s

- 2.1 To approve fees in relation to applications for Scrap Metal Dealers licences. The proposed fees for the three year period from 1st April 2019 are:
- Site Licence Application – £225.00
 - Collectors Licence Application - £194.00
 - Replacement of a Licence - £15.00 (per licence)
 - Additional Collectors Licences - £15.00 (per licence)

3. Reasons for Recommendation/s

- 3.1. In accordance with the Scrap Metal Dealers Act 2013, the Council must undertake a review of the fees to ensure they reflect the costs of administering the licences.

4. Other Options Considered

- 4.1. There are no alternatives as the setting of fees is in accordance with the Scrap Metal Dealers Act 2013.

5. Background

- 5.1. The Scrap Metal Dealers Act 2013, created a new licensing regime which replaced the previous registration system for scrap metal dealers in accordance with the Scrap Metal Dealers Act 1964. The 2013 Act maintained local authorities as the principal regulator, but gave them the power to refuse to grant a licence to 'unsuitable' applicants and a power to revoke licences if a dealer becomes 'unsuitable'.
- 5.2. The 2013 Act, provides that an application for a licence must be accompanied by a fee, which is to be set locally by each local authority on a cost recovery only basis. When setting the fee local authorities must have regard to guidance issued by the Secretary of State, which sets out what should be considered when setting the fee and what activities the fee can cover. The fee is an essential component of the licensing regime as it provides local authorities with the funding they need to administer the regime and ensure compliance.
- 5.3. In accordance with the legislation, all licences are valid for three years and it is anticipated within each three year period the fees will be reviewed to ensure they accurately reflect the full costs associated with the provision of the service. The majority of the applications will be received during 2019/2020 with other spread out over the other two years.

6. Implications of the Recommendations

6.1. Legal Implications

- 6.1.1. Schedule 1(6) of the Scrap Metal Dealers Act 2013, provides that an application for a licence must be accompanied by a fee set by the local authority. In setting the fee the authority must have regard to any guidance issued by the Secretary of State. Guidance issued by the Secretary of State recommends that all fees are set on a cost recovery only basis and this may be different for the different types of licences.
- 6.1.2. Currently the Council has 45 licenced scrap metal dealers, which comprises of 25 collector's licences and 20 site licences.

6.2. Finance Implications

6.2.1. Fees must be set locally by Cheshire East Council on a cost recovery only basis, in line with the guidance issued by the Secretary of State, which outlines what should be considered by the Council when setting the fee and what activities the fee can cover.

6.2.2. In accordance with the legislation, all licences are valid for three years and it is anticipated within each three year period the fees will be reviewed to ensure that they accurately reflect the full costs associated with the provision of the service.

6.2.3. The proposed fee for site licences is £225.00, which is an increase of £31.00 to reflect the extra officer time required for inspecting sites. The proposed fee for collectors is £194.00, which is an increase of £46.00 and reflects the additional time required to administer a collector's licences and the collector licence plates, which are different to those for the sites. The fees for additional collector's licences are £15.00, which is an increase of £5.00 due to the increase cost of purchasing the licence plates and staff time to prepare the duplicate licences.

6.3. Policy Implications

6.3.1. The fees proposed are compatible with our charging strategy.

6.4. Equality Implications

6.4.1. There are no direct equality implications arising from this report.

6.5. Human Resources Implications

6.5.1. There are no direct resource implications arising from this report.

6.6. Risk Management Implications

6.6.1. There are no direct risk management implications arising from this report.

6.7. Rural Communities Implications

6.7.1. There are no direct implications for rural communities.

6.8. Implications for Children & Young People

6.8.1. There are no direct implications for children and young people.

6.9. Public Health Implications

6.9.1. There are no direct implications for public health.

7. Ward Members Affected

7.1. Borough wide.

8. Consultation & Engagement

8.1. There are no requirements in legislation for any prior consultation or engagement.

9. Access to Information

9.1. The background papers relating to this report are available from the following sources.

The Scrap Metal Dealers Act 2013 is available here

<http://www.legislation.gov.uk/ukpga/2013/10/enacted/data.htm>

The Scrap Metal Dealers Act 2013: Licence Fee Charges Guidance is available here

<https://www.gov.uk/government/publications/scrap-metal-dealer-act-2013-licence-fee-charges>

10. Contact Information

10.1. Any questions relating to this report should be directed to the following officer:

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