

The Highland Licensing Committee

Meeting – 11 June 2013

Agenda Item	6
Report No	HLC-038-13

Scottish Government Consultation – Licensing Of Metal Dealers

Report by the Legal Manager

Summary

This Report invites the Committee to consider the attached draft response in relation to the Scottish Government's Consultation Document in relation to the licensing of Metal Dealers.

1.0 Background

1.1 In April 2013 the Scottish Government issued a consultation document in relation to proposed changes to the licensing of Metal Dealers under the Civic Government (Scotland) Act 1982. A copy of this document is attached in Appendix 1.

1.2 The deadline for submission of response is 3 July 2013.

2.0 Draft Response

2.1 A draft response for Members consideration is contained in Appendix 2.

3.0. Recommendation

3.1 Members are invited to consider the draft consultation and agree a response to be submitted to the Scottish Government.

Designation: Legal Manager

Officer Reference: Michael Elsey

Date: 24 May 2013

Appendix 1 - Copy of Scottish Government's Metal Dealers consultation document
Appendix 2 – Draft Highland Council Response.

Consultation on Licensing of Metal Dealers

CONSULTATION ON LICENSING OF METAL DEALERS

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Introduction

1. The Scottish Government is determined to tackle the increased incidence of metal theft that has been witnessed over recent years. Metal theft impacts seriously on our communities and infrastructure and risks public safety. Power, transport and telecoms services are interrupted. Parts of the fabric of our heritage, such as churches, public statues and war memorials are damaged and lost. Street furniture, such as aluminium road signs and lead drain covers, have to be replaced. Construction projects are delayed. This translates into delayed commuters, cost to business and harm to our communities.
2. It is also recognised that the legitimate scrap metal recycling industry is also a victim of metal theft with material stolen from their yards and skips and disposed of elsewhere.
3. Incidents of metal theft have increased in line with the rising price of certain metals on the world's commodities markets. Driven by the widespread availability of valuable metals (e.g. copper & lead) and assisted by the ease with which metals can be sold in relative anonymity for cash, metal theft become a fast growing crime, with over 6,000 crimes reported in Scotland in 2011.
4. The costs to society of metal theft are considerable. An earlier consultation by the Scottish Government on metal dealer regulation relied upon UK wide figures to estimate the cost to the economy of metal theft. A report commissioned by the Association of Chief Police Officers estimated the UK wide costs at £220million to £260million. Higher figures were posited but it is very hard to measure the consequential costs of many of these thefts. The figure of £220 - £260 million suggested about £100million of direct costs to conduct repair and replacements and a further £120million to £160million of indirect costs through, for example, commuters being delayed and businesses losing internet connections. A more recent study has been conducted by the Association of Chief Police Officers in Scotland and has for the first time looked at the situation specifically in Scotland. It estimated the value of metal theft in Scotland at £7.5m for 2011 and a further £2.8m for the first half of 2012. These figures relate purely to the value of the metal stolen and do not look at the indirect costs and collateral damage of these thefts. The true costs are therefore far higher.
5. The Scottish Government is tackling metal theft on a number of fronts. The Crown Office and Procurator Fiscal Service recently announced a tougher prosecution policy and courts now reflect the full consequential costs from an offence. Licensing too has an important role to play as one of the ways in which a metal thief may seek to convert the stolen metal into cash is by selling it into the legitimate scrap metal recycling industry via a scrap metal dealer.
6. This further consultation looks at proposals for changes to the regulation of the scrap metal industry to further protect both the public interest and the interests of that industry. It specifically focuses on what conditions dealers should be subject to under a new licensing regime with all dealers licensed. It also looks at the question of cash payments for metal.

Aim of licensing

7. Throughout Scotland, metal dealers play an important part in local recycling provision, providing a valuable service for local residents. However, we must ensure that the industry is protected and operates to the highest standards in meeting the needs of customers and communities.
8. One of the aims of any licensing regime is the preservation of public safety and order and the prevention of crime. We need, therefore, to have a licensing regime for metal dealers that can meet this aim in the current context of the substantial incentive for criminality provided by high metal prices.
9. We want customers to have an efficient, reliable and accessible service available to them. We also want to ensure criminal groups and individuals cannot use the legitimate recycling industry as an outlet for stolen metal.
10. In terms of the Scottish Government's overall purpose, a successful licensing regime contributes to the following [national outcome](#):
 - i. We live our lives safe from crime, disorder and danger.
11. The proposals in this consultation paper also aim to support specific priorities within Scottish Ministers' *Justice Strategy for Scotland* (2012):
 - ii. Enhancing efficiency;
 - iii. Increasing public confidence;
 - iv. Reducing fear of crime.

Background

12. Local licensing authorities are responsible for the operation, management and enforcement of the metal dealer licensing regime following the framework provided for in the Civic Government (Scotland) Act 1982 ('the 1982 Act').
13. Local licensing authorities have discretion in applying a local regime that best meets the needs of their locality and trade. The Scottish Government is concerned that local licensing authorities are not able to manage the scheme as efficiently as possible due to the current scheme that allows many metal dealers to operate outwith licensing requirements due to the exemption warrant system. The exemption system is explained further in the sections below on the current legislation and the Scottish Government's first consultation.

Current Legislation

14. Section 28(1) of the Civic Government (Scotland) Act 1982 (the 1982 Act) sets out that a metal dealer's licence is required for those carrying on a business as a metal dealer. Metal dealers' licences are subject to conditions that are attached to the licence by the licensing authority and to any mandatory conditions that may be prescribed by the Scottish Government under section 3A of the 1982

Act. Maintaining full records of transactions is a statutory requirement on all licence-holders under section 30 of the 1982 Act. Licensing authorities may attach other conditions as they deem appropriate, such as a requirement for CCTV on premises.

15. There are dealers that are exempt from licensing. Section 28(2) of the 1982 Act states that a licence is not necessary where a metal dealer is in possession of an exemption warrant. An exemption warrant is granted where a dealer has a specified level of turnover. Section 29 of the 1982 Act states that an exemption warrant shall be granted on production of a certificate by the auditor of the metal dealer's business stating that, in a financial year ending in the preceding 18 months, the total amount received by the dealer in respect of metal sold or supplied by him or her, exceeded £1m or such other sum as may be substituted for that sum by order made by the Secretary of State. The sum had not been amended since the passage of the 1982 Act until it was recently changed to £1m as announced last summer. This change came into effect on 20th February 2013 (see paragraph 18 below).
16. Under section 30 of the 1982 Act, licensed dealers are subject to record-keeping duties that require them to record the following particulars:
 - (5) The said particulars, in the case of metal received or acquired, are—
 - (a) the description and weight of the metal;
 - (b) the date and time of the receipt of the metal;
 - (c) if the metal is received or acquired from another person, the name and address of that person;
 - (d) the price, if any, payable in respect of the receipt or acquisition of the metal, if that price has been ascertained at the time when the entry in the record relating to that metal is to be made;
 - (e) where paragraph (d) above does not apply, the value of the metal at the time when the entry is to be made as estimated by the dealer;
 - (f) in the case of metal delivered at the place in question by means of a mechanically propelled vehicle bearing a registration mark (whether the vehicle belongs to the dealer or not), the registration mark borne by the vehicle.
 - (6) The said particulars, in the case of metal dispatched, processed or otherwise disposed of are—
 - (a) the description and weight of the metal immediately before its despatch, processing or other disposal;
 - (b) the date of despatch, processing or other disposal of the metal and, in the case of processing, the process applied;

(c) in the case of metal disposed of on sale or exchange, the name and address of the person to whom the metal is sold or with whom it is exchanged, and the consideration for which it is sold or exchanged;

(d) in the case of metal disposed of otherwise than on sale or exchange, its value immediately before its disposal as estimated by the dealer.

A further requirement for licensed dealers is that no metal dealer shall dispose of or process any metal acquired by him in the course of business until the expiry of a period of 48 hours (excluding any time on Saturdays or Sundays) after its acquisition (see section 31 of the 1982 Act).

17. Under section 32 of the 1982 Act, an itinerant metal dealer's licence shall permit the licence holder to carry on business as an itinerant metal dealer anywhere in Scotland. Itinerant metal dealers are subject to the following requirements under section 33 of the 1982 Act:

(1) An itinerant metal dealer shall obtain from each person who buys metal from him a receipt showing the weight and description of the metal, the name and address of the buyer and the price paid for the metal.

(2) Any such receipt shall be kept by the dealer for a period of 6 months from its date of issue.

(3) An itinerant metal dealer shall keep a record in respect of each sale to him of metal showing the weight and description of the metal, the name and address of the seller and the price paid for the metal.

(4) Any such record shall be kept by the dealer for a period of 6 months from the date of the sale to which it relates.

The First Consultation

18. Prompted by concern that more could be done to improve standards in the legitimate industry, the Scottish Government consulted between November 2011 and December 2012 on tightening the licensing regime for metal dealers. Metal dealers licensed by local licensing authorities, under the Civic Government (Scotland) Act 1982, can gain an exemption from licensing requirements if they have a turnover in excess of £100,000. In order to bring more dealers within the number of those complying with licensing requirements it was proposed to significantly increase the level of turnover required for an exemption.
19. As a result of that consultation the Scottish Government concluded that all dealers should be licensed and that therefore the turnover based exemption should be removed entirely. As an interim measure it was decided to raise the turnover required for an exemption to £1million. An Order taking this step was laid in Parliament and came into force on 20 February 2013.

20. The steps that the Scottish Government identified as a result of the initial consultation were:

- to raise the level of turnover required for an exemption warrant to £1m;
- to consult further on removing the exemption warrant system entirely thereby creating a level playing field with all metal dealers subject to licensing conditions;
- to work with the industry and others to ensure that the licensing scheme ensures appropriate and proportionate regulation of the industry without jeopardising the operation of legitimate businesses;
- in particular, to look at the requirements around retention of metal and consider removing this from licensing requirements whilst retaining it as an optional condition for licensing authorities to impose on a case by case basis;
- to consider as part of further consultation if other conditions should be set nationally as mandatory conditions for all dealers. A variety of suggestions were included in responses to this consultation including CCTV, identity checks of customers, recording of details of customer, their vehicle and the metal transacted; and
- to consider further the position of itinerant metal dealers within the licensing scheme.

Scope of Consultation

21. This consultation progresses the issues identified in the earlier consultation and seeks to establish a basis for regulating the metal dealing industry in the 21st century. It covers the conditions that should be imposed upon licensed dealers in an environment where all dealers are licensed. It also looks at the issue of the banning of cash payments for scrap metal and how such a ban might be introduced in Scotland. The consultation seeks the views of the trade, local licensing authorities and others with a regulatory interest, businesses and organisations that have found themselves the victims of metal theft, the Police and others.

22. The majority of proposals within this consultation would require changes to primary legislation. Others could be taken forward using powers granted to Scottish Ministers to employ secondary legislation.

Exemption Warrant System

23. The Scottish Government believes that the scale of the problem in relation to the theft of metal requires that all metal dealers should be regulated with the licensing system. It is no longer tenable that some dealers should be able to operate unlicensed by virtue of a high turnover and thereby avoid the proper scrutiny and regulatory oversight that licensing provides.

24. It is acknowledged that were we to remove the exemption then further changes to the licensing system would also be required (such as addressing the retention of metal provisions in the 1982 Act).

Q1. Do you agree that the exemption warrant system should be removed?

Conditions for metal dealers

Record Keeping

25. At a minimum, the Scottish Government believes that all metal dealers should keep appropriate records of their business. Existing legislation specifies the record keeping requirements for licensed dealers (see section above on existing legislation).
26. We are keen, however, to ensure the existing requirements are appropriate for a new environment where all dealers are licensed. In particular the Scottish Government is conscious that metal dealers are already licensed by the Scottish Environmental Protection Agency (SEPA) and record some particulars as part of that licensing system. We would wish to avoid placing an unduly burdensome or bureaucratic requirement on the trade that would see them having to record the same information twice or require information that adds little to the information already required by SEPA.
27. We would be interested in the views of responders as to whether the existing requirements of the Act ask for too much, too little or the right level of information, whether the information required is necessary and whether there is unnecessary duplication with the requirements of the SEPA licence.

Q2. Are the existing record keeping requirements suitable to be rolled out to all metal dealers?

Q3. For what period should records of a transaction be retained?

Identity Confirmation

28. The Scottish Government believes it is important that a metal dealer should takes steps to establish the identity of the customer who is wishing to sell metal to the dealer. One option is to specify that the acceptable forms of ID should be a passport or a UK / EU photographic driving licence.
29. We would welcome views on whether other forms of ID should be specified and indeed, whether it is necessary to specify the forms of ID at all. A more straightforward burden would be for a dealer to take steps to establish the identity of the customer and to record the steps that have been taken. This would allow, for example, a customer to establish their ID with a utility bill or bank statement. This latter option would mean however that a photographic ID would not necessarily be required.

30. We would expect records of the identity of the customer to be kept for a suitable period.

Q4. What methods should be used to establish the identity of the customer? Should the methods be specified in legislation?

Q5. Should a record be kept of the means used to establish identity and if so, how long should this be retained?

Other possible conditions

31. There are a number of other possible conditions that could be specified as mandatory conditions set by the Scottish Government and applying to all metal dealing licences. These items could also be left as discretionary conditions that could be applied by a local licensing authority across an authority area or on an individual, case-by-case, basis.

32. For example CCTV is already a valuable part of security arrangements for many metal dealers. Licensing authorities may consider it something that should be a condition of a licence. Clearly however, it would be a significant step to specify it as a mandatory condition of a licence. For some smaller dealers it might be disproportionate to the level of business conducted.

33. The Scottish Government is therefore minded to leave CCTV and other conditions of a licence as discretionary to local licensing authorities. It would also be for local licensing authorities to consider if the standard of CCTV required should be specified.

34. Other suggestions for possible mandatory conditions have included a requirement for an image to be taken of the person selling the items.

Q6. Do you agree that CCTV as a condition should be left as a discretionary matter for local licensing authorities?

Q7. Are there other conditions that should be considered as suitable for mandatory specification?

Retention of metal

35. The 1982 Act makes it a requirement for licensed dealers that no metal dealer shall dispose of or process any metal acquired by him in the course of business until the expiry of a period of 48 hours (excluding any time on Saturdays or Sundays) after its acquisition.

36. A large number of responders to the initial consultation highlighted that this requirement has a number of practical implications. Firstly, many dealers turn around metal very quickly in order to respond to fast changing prices in international metal markets. Secondly, many dealers are constrained physically by the limitations of their premises as to how much metal they can store

unprocessed for 48 hours. With some dealers handling over a hundred transactions a day they simply lacked the capacity to have the metal stored in separate, unprocessed piles. In addition, the requirements of the SEPA licence place a limit on how much can be stored on a metal dealer's premises. This limit could be breached if a dealer were to strictly follow the retention of metal requirements.

37. For these reasons the Scottish Government is of the view that the mandatory requirement for retention of metal should be removed. A local licensing authority that wished to retain the requirement in their area or impose it in certain circumstances would, however, be free to do so.

Q8. Do you agree that retention of metal requirements should be removed as a mandatory requirement for a licence.

Position of Itinerant Dealers

38. The Scottish Government is aware that itinerant dealers currently operate with only limited regulatory requirements (related to record keeping). It is our view that these regulatory requirements are inadequate and allow itinerant dealers to operate without sufficient oversight by licensing authorities. Potentially, this may allow an outlet for stolen metal to enter the legitimate marketplace for metal recycling.
39. It is clearly the case that some of the conditions that may be considered for a dealer operating from fixed premises would be impractical for an itinerant dealer. Nevertheless, the Scottish Government would welcome views on how a more effective regime for itinerant dealers can be devised.

Q9. Are there any reasons why it would not be practical for itinerant dealers to be required to see and record identification from those who sell them metal?

Q10. Are further controls required on itinerant dealers' onward disposal of metal that comes into their possession?

Position of car breakers

40. The Scottish Government notes that car breakers could fall within the scrap metal dealer licensing regime and also notes that they (like other metal dealers) are subject to separate regulation by the Scottish Environment Protection Agency. It has been suggested anecdotally that there are particular issues regarding additional metal being scrapped by being placed in a vehicle that is about to be scrapped.

Q11. Are any special licensing arrangements or mandatory conditions required in respect of metal dealers dealing with scrapping cars?

Cash Payments for Metal

41. One of the drivers for stealing metal is the prospect of converting the stolen material into ready cash. If a thief can circumvent any identity checks and sell stolen metal to a dealer then they can receive cash in return. By its nature the transaction is anonymous and very hard to trace when compared to other forms of payment such as cheque, bank transfer or bankers draft.
42. The Scottish Government proposes therefore a new criminal offence which prohibits scrap metal dealers from paying for scrap metal in cash and consequently only permitting electronic payment or payment by cheque
43. Similar measures have already been taken in England and Wales. The Home Office has noted in their assessment of cashless transactions,

“It is believed that an estimated £1 billion worth of cash transactions within the scrap metal industry avoids direct and indirect taxes due to evasive record keeping. Removing cash and requiring more accurate records should consequentially bring benefits to HMRC/HMT through reducing the tax gap.

It is believed that the majority of scrap metal dealers have the capability to trade cashless, and it is estimated by the British Metals Recycling Association that 2/3 of transactions are currently completed without cash.”

44. It is proposed that the requirement to purchase scrap metal without cash will apply to all scrap metal dealers licensed under the Civic Government Licensing (Scotland) Act 1982, including itinerant dealers. The potential for prosecution will also apply to dealers illegally operating without a licence.
45. It is noted that this proposal will have implications for the way scrap metal businesses process payments and this will have some consequential impact for the financial services companies that support them. For example a scrap metal dealer will either have to put in place arrangements for electronic transfer or they will be issuing large numbers of cheques.
46. It is also noted that very small transactions may be uneconomic to process via electronic means or cheque. This would give rise to the suggestion that there should be a *de minimis* amount that could continue to be paid in cash. Tending against that suggestion is the fact that many thefts of metal only have a scrap value of a low amount. In addition, by allowing a *de minimis* threshold it is possible that it could be used as a loophole to allow cash payments to continue. For example, if amounts of £10 or under were still allowed to be paid in cash then there is a possibility that a dealer could pay a customer £50 by handing over five separate payments of £10. It may be possible to draft a provision that would prevent such practices but nevertheless it may be that the most straightforward solution is to ban cash payments entirely.

Q12. Where should the requirement to purchase without cash be applied? Should it apply to licensed metal dealers exclusively (those dealing without a licence would already be committing an offence). Are there other suitable approaches such as a generalised ‘whole population’ offence i.e. where it is an offence for any member of the public to buy metal for scrapping using cash?

Q13. Should payments of a minimal amount still be allowed in cash? If so, what should the maximum cash payment be set at? What additional regulation may be required to avoid loopholes?

Other Matters

47. Beyond what is specified in legislation, we would be interested in views on what other steps can be taken to improve the regulation of the industry. For example, would there be merit in promoting a system of accreditation to promote the very highest practices in the trade? Such a system would require a dealer to go beyond the requirements set in legislation to attain the very highest standards of practice aimed at ensuring that the industry is free of criminality.

Q14. Would an accreditation system be of value?

Q15. Are there other issues that have not been highlighted in this consultation that responders would like to mention?

ANNEX A QUESTIONS IN THIS CONSULTATION

1. Do you agree that the exemption warrant system should be removed?
2. Are the existing record keeping requirements suitable to be rolled out to all metal dealers?
3. For what period should records of a transaction be kept?
4. What methods should be used to establish the identity of the customer?
Should the methods be specified in legislation?
5. Should a record be kept of the means used to establish identity and if so, how long should this be kept for?
6. Do you agree that CCTV as a condition should be left as a discretionary matter for local licensing authorities?
7. Are there other conditions that should be considered as suitable for mandatory specification?
8. Do you agree that retention of metal requirements should be removed as a mandatory requirement for a licence.
9. Would it be reasonable for itinerant dealers to be required to see identification from those who sell them metal?
10. Are further controls required on itinerant dealers' onward disposal of metal that comes into their possession?
11. Are any special licensing arrangements or mandatory conditions required in respect of metal dealers dealing with scrapping cars?
12. Is the requirement to purchase without cash applicable to the right people?
Are there other suitable approaches such as a generalised 'whole population' offence?
13. Should payments of a minimal amount still be allowed in cash? If so, what should the maximum cash payment be set at? What additional regulation may be required to avoid loopholes.
14. Would an accreditation system be of value?
15. Are there other issues that have not been highlighted in this consultation that responders would like to mention?

ANNEX B

THE SCOTTISH GOVERNMENT CONSULTATION PROCESS

1. Consultation is an essential and important aspect of Scottish Government working methods. Given the wide-ranging areas of work of the Scottish Government, there are many varied types of consultation. However, in general, Scottish Government consultation exercises aim to provide opportunities for all those who wish to express their opinions on a proposed area of work to do so in ways which will inform and enhance that work.
2. The Scottish Government encourages consultation that is thorough, effective and appropriate to the issue under consideration and the nature of the target audience. Consultation exercises take account of a wide range of factors, and no two exercises are likely to be the same.
3. Typically Scottish Government consultations involve a written paper inviting answers to specific questions or more general views about the material presented. Written papers are distributed to organisations and individuals with an interest in the issue, and they are also placed on the Scottish Government web site enabling a wider audience to access the paper and submit their responses (<http://www.scotland.gov.uk/consultations>). Consultation exercises may also involve seeking views in a number of different ways, such as through public meetings, focus groups or questionnaire exercises. Copies of all the written responses received to a consultation exercise (where the individual or organisation has given us permission to publish their response) are placed in the Scottish Government Library at Saughton House, Edinburgh (K Spur, Saughton House, Broomhouse Drive, Edinburgh, EH11 3XD, telephone 0131 244 4556).
4. The views and suggestions detailed in consultation responses are analysed and used as part of the decision making process, along with a range of other available information and evidence. Depending on the nature of the consultation exercise the responses received may:
 - indicate the need for policy development or review;
 - inform the development of a particular policy;
 - help decisions to be made between alternative policy proposals; and/or
 - be used to finalise legislation before it is implemented.
5. Final decisions on the issues under consideration will also take account of a range of other factors, including other available information and research evidence.
6. While details of particular circumstances described in a response to a consultation exercise may usefully inform the policy process, consultation exercises cannot address individual concerns and comments, which should be directed to the relevant public body.

7. All Scottish Government consultation papers and related publications (eg analysis of response reports) can be accessed at: [Scottish Government consultations](http://www.scotland.gov.uk/consultations) (<http://www.scotland.gov.uk/consultations>).
8. The Scottish Government now has an email alert system for consultations – SE Consult – which can be found on the Scottish Government website at <http://www.scotland.gov.uk/Consultations/seConsult>. This system allows stakeholder individuals and organisations to register and receive a weekly e-mail containing details of all new SG consultations (including web links). SEconsult complements, but in no way replaces, SG distribution lists, and is designed to allow stakeholders to keep up to date with all SG consultation activity, and therefore be alerted at the earliest opportunity to those of most interest. We would encourage you to register.

This consultation, and all other Scottish Government consultation exercises, can be viewed on the Scottish Government website at <http://www.scotland.gov.uk/consultations>. You can telephone free phone 0800 77 1234 to find out where your nearest public internet access point is

9. You are invited to respond before the closing date of 3 July 2013, in writing to:

Walter Drummond-Murray
Criminal Law & Licensing Team
Scottish Government
Area 2W, St Andrews House
Regent Road
Edinburgh EH1 3DG
Email: licensing.consultations@scotland.gsi.gov.uk

Handling your response

10. We need to know how you wish your response to be handled and, in particular, whether you are happy for your response to be made public. Please complete and return the [Respondent Information Form](#), which is enclosed with this consultation paper, as this will ensure that we treat your response appropriately. If you ask for your response not to be published we will regard it as confidential, and treat it accordingly.
11. All responders should be aware that the Scottish Government is subject to the provisions of the Freedom of Information (Scotland) Act 2002 and would, therefore, have to consider any request made to it under the Act for information relating to responses made to this consultation exercise.

Next steps in the process

12. Where responders have given permission for their response to be made public (see the attached [Respondent Information Form](#) – page 16), these will be made available to the public in the Scottish Government Library and on the Scottish Government web pages by the end of April 2012. We will check all responses where agreement to publish has been given for any potentially

defamatory material before logging them in the library or placing them on the website. You can make arrangements to view responses by contacting the SG Library on 0131 244 4556. Responses can be copied and sent to you, but a charge may be made for this service.

What happens next?

13. Following the closing date, all responses will be analysed and considered along with any other available evidence to help us reach a decision on how to move forward.

Comments and complaints

14. If you have any comments about how this consultation exercise has been conducted, please send them to the address above.

Consultation on Licensing of Metal Dealers



RESPONDENT INFORMATION FORM

Please Note this form **must** be returned with your response to ensure that we handle your response appropriately

1. Name/Organisation

Organisation Name

Title Mr Ms Mrs Miss Dr Please tick as appropriate

Surname

Forename

2. Postal Address

<input type="text"/>		
<input type="text"/>		
<input type="text"/>		
<input type="text"/>		
Postcode	Phone	Email

3. Permissions - I am responding as...

Individual / Group/Organisation

Please tick as appropriate

(a) Do you agree to your response being made available to the public (in Scottish Government library and/or on the Scottish Government web site)?

Please tick as appropriate

Yes No

(b) Where confidentiality is not requested, we will make your responses available to the public on the following basis

Please tick ONE of the following boxes

(c) The name and address of your organisation **will be** made available to the public (in the Scottish Government library and/or on the Scottish Government web site).

Are you content for your **response** to be made available?

Please tick as appropriate

Yes No

Yes, make my response, name and address all available

or

Yes, make my response available, but not my name and address

or

Yes, make my response and name available, but not my address

(d) We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise?

Please tick as appropriate

Yes

No



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Q1.	Do you agree that the exemption warrant system should be removed?
A.	Highland Council (HC) is of the view that the exemption warrant system should be removed. This would create an unambiguous system where anyone dealing in metal would fall within the licensing scheme.
Q2.	Are the existing record keeping requirements suitable to be rolled out to all metal dealers?
A.	HC is of the view that the existing record keeping requirements are suitable to be rolled out to all metal dealers.
Q3.	For what period should records of a transaction be kept?
A.	Records should be retained for the period of the licence and for a 48 month period immediately thereafter.
Q4.	What methods should be used to establish the identity of the customer? Should the methods be specified in legislation?
A.	If the licensing system is to be robust then photographic ID should be specified as the standard method of identifying the customer. If this is made mandatory rather than discretionary for each Authority this will become the recognised practice that the public etc. will require to follow. If this is to become a mandatory condition a national awareness campaign could be undertaken to advise the public/traders etc. that if they are selling metal to licensed metal dealers they should expect to be asked for this form of ID.
Q5.	Should a record be kept of the means used to establish identity and if so, how long should this be kept for?
A.	Records should be retained for the period of the licence and for a 24 month period immediately thereafter.
Q6.	Do you agree that CCTV as a condition should be left as a discretionary matter for local licensing authorities?
A.	Yes, CCTV as a condition should be left as a discretionary matter.
Q7.	Are there other conditions that should be considered as suitable for mandatory specification?
A.	HC is not aware of any other conditions which would be considered or required as mandatory.
Q8.	Do you agree that retention of metal requirements should be removed as a mandatory requirement for a licence.
A.	Yes, in principle it is agreed that the retention of metal requirements should be removed as a mandatory requirement of a licence, however Highland Council would be interested in the view of Police Scotland given that this condition would assist with the enforcement (tracing of metal) of the licensing scheme.

<p>Q9.</p> <p>A.</p>	<p>Would it be reasonable for itinerant dealers to be required to see identification from those who sell them metal?</p> <p>Yes, again to ensure a robust licensing scheme itinerant metal dealers should be the subject of the same mandatory conditions in terms of customer ID as metal dealers.</p>
<p>Q10.</p> <p>A.</p>	<p>Are further controls required on itinerant dealers' onward disposal of metal that comes into their possession?</p> <p>Similar recording requirements as to those detailed in paragraph 16 of the consultation document should be required by itinerant metal dealers for both the buying and re-selling of metal.</p>
<p>Q11.</p> <p>A.</p>	<p>Are any special licensing arrangements or mandatory conditions required in respect of metal dealers dealing with scrapping cars?</p> <p>HC is not aware of any other conditions which would be considered or required as mandatory.</p>
<p>Q12.</p> <p>A.</p>	<p>Is the requirement to purchase without cash applicable to the right people? Are there other suitable approaches such as a generalised 'whole population' offence?</p> <p>HC is in agreement that the proposal in paragraph 42 be adopted i.e. applying to licensed metal dealers only with no "whole population" offence.</p>
<p>Q13.</p> <p>A.</p>	<p>Should payments of a minimal amount still be allowed in cash? If so, what should the maximum cash payment be set at? What additional regulation may be required to avoid loopholes.</p> <p>HC is of the view that no cash sales be permitted regardless of the maximum amount.</p>
<p>Q14.</p> <p>A.</p>	<p>Would an accreditation system be of value?</p> <p>It would always be a good thing for a dealer to achieve such accreditation and is something the public can use in deciding on the choice of a dealer. However to be of any use the system must be nationwide and not left to individual Councils. Clarification would also require to be sought as to who would be responsible for promoting/paying for any such system.</p>
<p>Q15.</p> <p>A.</p>	<p>Are there other issues that have not been highlighted in this consultation that responders would like to mention?</p> <p>Any mandatory conditions proposed in relation to the retention of records should reflect the fact that records are now more commonly stored electronically rather than in hand written books.</p>