

Cabinet

Report Title	Scrap Metal Dealers Policy
Date of Meeting	March 11 2026
Report Author	Liz Nembhard, Operations Manager, Public Protection and Community Safety
Lead Officer	Alan Lunt Executive Director - Place
Lead Cabinet Member(s)	Cabinet Member for Neighbourhoods & Community & Deputy Leader
Why is this a key decision?	To be significant in terms of its effect on communities living or working in an area comprising two or more wards of the Borough.
Wards Affected	(All Wards);
Identify exempt information and exemption category.	Open
Is the report urgent?	No
Reasons for urgency (only where applicable)	
Appendices (if any)	1. Scrap Metal Dealers Policy. 2. Consultation responses.

1. Executive Summary

- 1.1 This report seeks approval for a new Scrap Metal Dealers policy. The policy confirms the Council's approach to assessing applications, ensuring consistency, transparency, and alignment with government guidance and Local Government Association best practice. It provides clear criteria for determining applicant suitability and is intended to support efficient, accurate application processing.

2. Recommendations

The Cabinet is recommended to: -

2.1 Approve the proposed Scrap Metal Dealers Policy as set out in Appendix 1 to the report.

3. Proposals – Reasons for the recommendations

3.1 Under the Scrap Metal Dealers Act 2013 the Council has responsibility for the licensing of scrap metal dealers and enforcement of the licensing regime alongside the Police. The General Licensing Team has delegated powers to administer this function and to date administration has been conducted according to the criteria set in the Act.

3.2 The draft Policy (Appendix 1) sets out how the Council will work to ensure that there is a level playing field for scrap metal dealers operating in the Council area, ensuring that persons operating these types of businesses are compliant with legislation.

3.3 In preparing this new Policy, we have considered the latest supplementary guidance produced by government and Local Government Association examples of best practice.

3.4 The aim of the policy is to provide clear criteria on how the Council will determine suitability of an applicant for a Scrap Metal Dealers Licence, thus providing guidance to residents, applicants, and other agencies with a benchmark of the licensing authority's expectations. This should assist everyone's understanding of the statutory requirements. This document will also assist people to submit complete and accurate applications thereby alleviating unnecessary work and delays.

3.5 Scrap metal dealers may apply for one of two types of licence depending on what they do, and these are a site licence where a yard receives goods (and this includes motor salvage operators); and a collector's licence for mobile collectors. The number of Current Licences Issued by the council under the Scrap Metal Dealers Act 2013 (August 2025) is detailed below:

Sites	40
Collectors	6

4 Alternative Options Considered

4.1 In developing the Policy for Determining the Suitability of an Applicant for a Scrap Metal Dealer's Licence, several alternative options have been considered. While there is no statutory requirement under the Scrap Metal Dealers Act 2013 for the Council to have a written policy in place, the Act does require the Council to be satisfied that an applicant is a suitable person to carry on business as a scrap metal dealer. In addition, local authorities must have regard to statutory guidance issued by the Secretary of State when assessing suitability.

4.2 Although not legally required, adopting a formal policy is recognised as good practice, as it promotes consistency, fairness, and transparency in the

Council's decision-making processes, and supports applicants in understanding the licensing requirements.

5. Consultation

- 5.1 The Licensing Committee granted approval to undertake public consultation on the draft policy. A 12-week consultation period was conducted out between 24 April and 17 July 2025.
- 5.2 The consultation was published on Citizen Space, the Council's dedicated consultation platform. It was promoted through a press release and featured prominently on the Council's website. In addition, written notifications were issued to all existing licence holders.
- 5.3 In total, three responses were received:
- 67% (2) from business owners
 - 33% (1) from a member of the public

A summary of the comments received during the consultation process, along with the Council's responses, is provided in Appendix 2.

6. Financial Implications

- 6.1 There are no financial implications arising from the proposed Policy. The General Licensing Team is already delivering the relevant functions, and therefore no additional resources are required to support its implementation. The Scrap Metal Dealers Act 2013 – Policy for Determining the Suitability of an Applicant for a Scrap Metal Dealer's Licence has been developed on the basis that it can be delivered within existing operational capacity.

7. Legal and Governance Implications

- 7.1 Legal Services have been engaged throughout the development of the Policy. While the Council is not under a statutory obligation to adopt a formal policy under the Scrap Metal Dealers Act 2013, having one in place will support the Council in achieving consistency, fairness, and transparency in its decision-making processes.
- 7.2 The adoption of a clear and structured policy strengthens the Council's regulatory framework. It ensures that decisions relating to the suitability of applicants for scrap metal dealer licences are made in a manner that is robust, accountable, and aligned with the Council's wider governance standards. The Policy also provides clarity for applicants, licence holders, and decision-makers, reducing the risk of challenge and promoting good administrative practice.

8. Risks

- 8.1 There are no significant risks identified, as the Policy provides a clear framework that supports consistent decision-making and reduces the potential for challenge.

9. Equality and Diversity Implications (including the public sector equality duty)

- 9.1 An initial equality screening was undertaken, and no adverse impact on protected groups was identified. The Policy is drawn directly from the Scrap Metal Dealers Act 2013, which sets out the statutory criteria and processes that the Council must follow when determining the suitability of applicants. As the Policy reflects these legislative requirements, it does not introduce any additional measures that would negatively affect protected groups.

10. Other Relevant Implications

- 10.1 **Health and Wellbeing** - The Policy supports wider health and wellbeing objectives by helping to ensure that scrap metal activities conducted out in Sandwell are done safely and responsibly. By promoting a regulated and compliant sector, the Policy contributes to reducing crime and environmental harm, both of which have a positive impact on community wellbeing.
- 10.2 **Climate change** - The Policy has minimal direct impact on climate change. However, by supporting a regulated scrap metal industry, it encourages responsible recycling and reuse of materials, which contributes positively to waste reduction and supports the Council's wider environmental and sustainability objectives.

11. Background Documents

- 11.1 N/A

12. How does this deliver the objectives of the Strategic Themes?

- 12.1 Licensing Scrap Metal Dealers in accordance with the Scrap Metal Dealers Act 2013 supports the Council's Living in Sandwell priority by helping to create safer, cleaner, and more secure neighbourhoods. Ensuring that only legitimate sites and collectors can obtain a licence strengthens public safety, reduces environmental harm, and helps prevent metal theft, which can significantly disrupt communities and local infrastructure.
- 11.1 The guidelines relating to the relevance of convictions provide a transparent and consistent approach to assessing applicants. This promotes responsible business practices and ensures decisions protect all sectors of the community, contributing to the Council's ambition for residents to feel safe, supported, and proud of their local area.