

Aberdeenshire Council
Civic Government (Scotland) Act 1982
Notice for Guidance of Applicants
Metal Dealer's Licences

The following notes have been prepared as an outline of the licensing provisions relating to Metal Dealers contained in the Civic Government (Scotland) Act 1982, as amended ('the Act'). The Act has most recently been amended by the Air Weapons and Licencing (Scotland) Act 2015. The majority of the provisions relating to Metal Dealers and itinerant Metal Dealers come into force on 1 September 2016.

Whilst every effort has been made to ensure these notes are accurate they are for general guidance and are not to be considered as comprehensive of the whole matter. It is, of course, the responsibility of the Applicants to ensure that they are aware of and comply with the provisions of the Act, the 2015 Act and all legislation that affects trading as any type of Metal Dealer.

1. Introduction

From September 1st 2016, the Act will require all Metal Dealers and itinerant Metal Dealers to hold licences. The exemption warrant will cease to have effect from September 1st 2016. If you are currently exempt or now come under the new definition of metal trader or itinerant metal trader you must make an application to Aberdeenshire Council and you must hold a licence by September 1st 2016.

Definition

Metal Dealer

A person is a Metal Dealer if the business consists wholly or substantially of

- buying and selling for scrap metal, articles that are old, broken, worn-out, defaced or
- partly manufactured articles that are made wholly or partly of metal or
- carries on a business as a motor salvage operator provided that a person carries on this business if it consists of wholly or substantially
 - recovery of salvageable parts from motor vehicles for re-use or sale and selling or disposing the rest of the vehicle for scrap
 - buying significantly damaged motor vehicles and repairing and reselling them or
 - buying or selling motor vehicles which will be used for the above two points

Itinerant Metal Dealers

A person is an Itinerant Metal Dealer if the business consists wholly or substantially of

- buying or selling for scrap metal, articles that are old, broken, worn-out, or defaced or
- partly manufactured articles made wholly or partly from metal and
- collects the above articles by means of visits from place to place and
- disposes of the above articles of without causing them to be kept in a metal store or other premises.

The difference between a Metal Dealer and an Itinerant Metal Dealer is that the Metal Dealer operates from specific premises where metal is taken to and from and stored. The Itinerant Metal Dealer disposes of the articles and does not have a store of their own nor do they use another's store.

Where one Licensing Authority grants an Itinerant Metal Dealer's Licence this shall have the effect of permitting the Licence holder to carry on their business anywhere in Scotland. Where a person carries on business as a Metal Dealer and also as an Itinerant Metal dealer they shall require a Licence for each activity.

2. Obligations of Metal Dealers and Itinerant Metal Dealers

The 2015 Act created new rules that all Metal Dealers must follow from September 1st 2016. Even if you hold a current licence you are subject to the new rules.

Keeping of Records

A Dealer must keep in relation to each business premises, separate records of metal received/acquired and metal despatched/processed/disposed of. Similar records must be kept in respect of all metal dealt with at any place other than the dealer's normal business premises. Records may be in ledger or modern computerised form and must be kept for a period not less than 3 years from the date of the last entry.

Record Details – Acquisition

Records must specify

- a.** description and weight of metal
- b.** date and time of acquisition
- c.** name and address from whom metal was acquired
- d.** the means of verifying that person's name and address and copying the documents
- e.** the buying price (if known at the date of entry or if not known the estimated value)
- f.** the method of payment (with a copy of the cheque or document showing electronic payment)
- g.** the registration mark of the delivery vehicle

Record Details – Disposal

Records must specify

- a.** description and weight of the metal immediately before dispatch
- b.** the date and the name and address of the person purchasing the metal
- c.** the means of verifying that person's name and address and copying the documents
- d.** The consideration for which it is sold or exchanged
- e.** If no consideration is received the value immediately before disposal, as estimated by the Metal Dealer
- f.** If processed, the process applied

Payment

The only acceptable form of payment that can be made by a Metal Dealer or itinerant Metal Dealer are bank transfer or cheque. **CASH** is not an acceptable method of payment.

Acceptable

Non-transferable Cheques
Electronic transfer in the Payee's name

Not Acceptable

Cash
Foreign Currency

(UK Bank or Building Society only)

Pre-payment Cards
Vouchers
Gift Vouchers
Gift Cards
Virtual Currencies
Payment to Insurance Companies
Payment to Credit Union or Friendly Societies

3. Offences

The Act creates a number of offences relating to dealing in metal including but not limited to-

- failure to hold a licence
- purchasing or selling to a person under 16
- issuing false particulars
- keeping false records
- failure to keep timely and correct records
- a seller or purchaser giving a false name and address to the dealer
- unacceptable payment

Where a dealer is convicted of any offence one of the Court's powers is to disqualify the offender from holding a licence and shall so advise the Licensing Authority. Offences are punishable by a fine not exceeding level 5 on the standard scale

In addition, the Court in considering disposal of a case can order that a Metal Dealer shall not dispose of or process any metal acquired by him until after a period of 7 days has expired from each acquisition.

4. Verifying the identity of a Seller and Buyer

All Metal Dealers must see and take copies of the following documents in order to verify the identity of the person that they are selling to or buying from

ANY OF -

- Valid UK passport
- Valid passport issued by an EEA state
- Valid GB or Northern Ireland photo card driving licence
- Valid biometric immigration document

AND ANY OF -

- Bank or Building Society statement
- Credit or Debit Card statement
- Council Tax bill or statement where the address is in Scotland, England or Wales
- Rate bill or statement where the person's address is in Northern Ireland

- A utility bill (not a mobile phone bill)

AND the document must be 3 months old or less

When taking copies of documents all persons must be aware of the implications of the Data Protection Act 1998.