

## **Scrap Metal Act - FAQs**

### **Do I need to display my Licence?**

Yes. If you have a Site Licence you must ensure that a copy is displayed at each site identified in the Licence in a prominent place in an area accessible to the public. If you have a Collector's Licence you must ensure that a copy is displayed on any vehicle that is being used in the course of your business in a manner which enables it to be easily read by a person outside the vehicle.

### **Can I pay Cash for Scrap?**

No. It is an offence under the Act to pay cash for scrap metal. You can only pay via the methods detailed below:

- (a) by a cheque which under section 81A of the Bills of Exchange Act 1882 is not transferable, or
  - (b) by an electronic transfer of funds (authorised by credit or debit card or otherwise).
- The Secretary of State may amend these provisions to permit other methods of payment in which case these Notes of Guidance will be updated accordingly.

### **In operating as a Scrap Metal Dealer what records am I required to keep?**

The Act states that a Scrap Metal Dealer must record the following information:

- (a) the description of the metal, including its type (or types if mixed), form, condition, weight and any marks identifying previous owners or other distinguishing features;
- (b) the date and time of its receipt;
- (c) if the metal is delivered in or on a vehicle, the registration mark (within the meaning of section 23 of the Vehicle Excise and Registration Act 1994) of the vehicle;
- (d) if the metal is received from a person, the full name and address of that person;
- (e) if the dealer pays for the metal, the full name of the person who makes the payment acting for the dealer.

If the dealer receives the metal from a person, the dealer must keep a copy of any document which the dealer uses to verify the name or address of that person. If the dealer pays for the metal by cheque, the dealer must keep a copy of the cheque.

If the dealer pays for the metal by electronic transfer:

- (a) the dealer must keep the receipt identifying the transfer, or
- (b) if no receipt identifying the transfer was obtained, the dealer must record particulars identifying the transfer.

If a dealer disposes of scrap metal under a Site Licence they must record the following information:

- (a) the description of the metal, including its type (or types if mixed), form and weight;
- (b) the date and time of its disposal;
- (c) if the disposal is to another person, the full name and address of that person;
- (d) if the dealer receives payment for the metal (whether by way of sale or exchange), the price or other consideration received.

If a dealer disposes of scrap metal under a Collector's Licence, they must record the following information:

- (a) the date and time of the disposal;
- (b) if the disposal is to another person, the full name and address of that person.

The dealer must keep the information and other records mentioned above for a period of 3 years beginning with the day on which the metal is received or (as the case may be) disposed of.

A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 5 on the standard scale.