

16 January 2012

Item 5

Metal Theft Update

Purpose of report

For information.

Summary

The Board received an update in November on the LGA's work around metal theft. This report provides a further update on developments in tackling metal theft since that report.

Recommendation

Members are asked to note the report.

Action

Officers to progress as appropriate.

Contact officer: Mark Norris
Position: Senior Adviser
Phone no: 020 7664 3241
E-mail: mark.norris@local.gov.uk

16 January 2012

Item 5

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Background

1. Following the remitting of the motion from Centro, the West Midlands Integrated Transport Authority about metal theft from the LGA General Assembly to the Board, it was agreed that the chair of the Board would meet with lead members from the Environment and Housing Programme Board to agree a joint approach to the issue from the LGA. As was reported in the update circulated to members in November the meeting took place in October and agreed a programme of action going forward.
2. This programme of action included:
 - 2.1 highlighting in the media the impact metal theft has on councils;
 - 2.2 lobbying for the strengthening of the licensing and regulatory regime around scrap metal dealers;
 - 2.3 promoting the importance of tackling metal theft among councils and producing guidance on tackling metal theft; and
 - 2.4 examining if planning classifications and test purchasing could be used to improve standards amongst scrap metal dealers, thereby reducing the incentives to steal metal.

LGA activity on metal theft since the last update

3. Subsequent to the last update to the Board on metal theft, a press release from Cllr Khan calling for greater powers for councils to tackle metal theft was circulated ahead of Remembrance Sunday. This attracted extensive national and local media coverage, with Cllr Khan being interviewed by Sky News.
4. In the same month Cllr Khan wrote jointly with Cllr Parsons CBE, the Chair of the Environment and Housing Programme Board to Lord Henley, the Minister of State at the Home Office responsible for metal theft.
5. The letter explained the LGA view that the Scrap Metal Dealers Act 1964 no longer provides an adequate regulatory regime for the metal recycling industry. It requested that the current registration process be replaced by a proper licensing system, based on the alcohol licensing regime and administered by councils. It also sought compulsory cashless payments, the installation of CCTV with automatic number plate recognition technology, and requirements on dealers to keep detailed logs of the identity of people they buy metal from.

16 January 2012

Item 5

6. Lord Henley responded to the letter before Christmas and acknowledged the limitations of the Scrap Metal Dealers Act and explained that the government is considering the legislative options which include cashless payment. It is understood that this could include a government bill in the next session of parliament (from May onwards), though provisions to introduce cashless payments may be inserted into legislation currently making its way through parliament. Lord Henley also highlighted the role of councils in enforcing the Scrap Metal Dealers Act, and asked if the LGA would be able to raise awareness of the role councils have in this area. Lord Henley also suggested a follow up meeting to discuss the issues and one will be arranged for the coming weeks.
7. The role that councils play in regulating scrap metal dealers was highlighted in the last edition of 2011 of the LGA's *first* magazine in an article by the Board's Vice-Chair Cllr Lawrence.
8. The LGA is currently surveying councils on metal theft to provide out lobbying work with strong evidence of the need for legislative change. The survey seeks information on the cost to councils of both the impact and enforcement activity associated with metal theft and also explores what a new regime should look like and what it would cost to run. The results are expected by the end of February.
9. In order to raise awareness of the issue and the role councils have in regulating scrap metal dealers the LGA is holding a Metal Theft Conference on 6 February at Local Government House. This will look at the impact on the economy and society, possible trends in metal theft, and look at current government activity on this issue. It will also look at what can be done to reduce metal theft including designing it out, improving practices at scrap metal dealers, and better disposal procedures for scrap metal so dealers can have confidence that they are buying legitimate material. It will conclude by looking at what legislative changes could be made to make it easier for metal theft to be tackled.

Developments around the issue of metal theft

10. The increasing political importance of metal theft has led to two private members' bills on the topic being tabled; one in the Lords and one in the House of Commons. The private member's bill tabled by Graham Jones MP had its first reading in the Commons in November and is due to have its second reading on 20 January. The Bill itself is not publicly available but amongst other things is intended to introduce a licensing scheme for scrap metal dealers, to require transactions in scrap metal are cashless and to give police officers powers to search scrap metal yards. While the Bill introduces a licensing

16 January 2012

Item 5

scheme our understanding is that this would be licensing by the magistrates court rather than local authorities as currently, which would miss out opportunities to link up with other enforcement regimes including the Vehicle (Crime) Act 2001 administered by local authorities. Indications from the Government are that although the Bill has widespread support from a range of organisations, it does not in their view provide a robust regime for regulating scrap metal dealers.

11. The Government itself announced a national metal theft taskforce in the Treasury's Autumn Statement. It will be led by the British Transport Police and will have funding of £5 million. The purpose of the taskforce is to work across departments and law enforcement to co-ordinate action to tackle metal theft. Officers will be exploring with the Home Office what role the LGA and local government will have with the work of the taskforce.

Conclusion and next steps

12. The LGA will continue to progress the programme agreed between the two boards and will be pressing the case to Lord Henley for a robust licensing scheme to replace the existing registration scheme that councils are required to administer.

Financial Implications

13. The LGA's work on metal theft will be met from existing resources.