



**Jeremy Browne MP**  
**MINISTER FOR CRIME PREVENTION**  
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Cllr Mehboob Khan  
Chair, Safer and Stronger Communities Board  
Local Government Association  
Local Government House  
Smith Square  
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21 DEC 2012

*Dear Mr Khan*

Thank you for your letter of 4 December about the Scrap Metal Dealers Bill and allowing local authorities to impose conditions on a licence.

As I hope I made clear when we met last month, we are committed to creating a licensing regime which gives local authorities the powers they need to effectively manage and regulate the metal recycling sector. The Bill provides local authorities with a number of powers to do that, above and beyond the provisions in the 1964 Act, including: the ability to refuse to licence individuals and businesses who are considered unsuitable; the ability to set their own licence fee to fully recover costs; the power to enter and inspect sites; the power to revoke licences and the power to impose two specific conditions on a licence holder under certain circumstances.

As you know, the Home Office has been open to including other conditions within the Bill. During the Bill's Commons Committee Stage I said that I would look favourably at additional conditions, as long as they were specific and did not allow local authorities to impose wide ranging and potentially disproportionate restrictions on scrap metal dealers.

I would just like to say a little more about the reasons for why the Home Office believes this is important. First, conditions must be written in such a way that allows for enforcement action to be taken should the licensee fail to comply with the condition. Carrying on a business in a manner which is not in accordance with the conditions on a licence would be a breach of Section 1 of the Act (when it comes into force). It is therefore vital that for a criminal offence to be brought, each condition is clear and compliance is easily determined. Conditions that do not specify what is required are therefore unfair to the licensee as they do not know what would and would not constitute compliance. It would be difficult to successfully prosecute a license holder for breaches of ambiguous licence conditions, thereby making them unenforceable and in effect meaningless.

Second, allowing local authorities to impose any condition they consider appropriate may be unfair on scrap metal dealers. This Bill has been drafted carefully to limit additional business burden wherever possible. Additional burdens stemming from this new regime are unavoidable, especially with the creation of a licence fee, however we believe that the new burdens imposed by the Bill on business are reasonable, proportionate and necessary, as well as being fully costed.

It is important to remember that under the current Act these conditions can only be imposed by the courts. We have changed this, giving local authorities for the first time the power to impose these conditions themselves. We think this is appropriate and provides the local authority with the right tools to ensure compliance against the new licensing scheme.

In your letter you drew parallels with the alcohol licence regime. I would urge caution when comparing the two regimes as alcohol can cause serious societal harm including the risk of violent crime and so it is right that local authorities are able to impose additional conditions to better regulate its sale. Scrap metal dealers do not cause the same societal impact, albeit they can facilitate crime, but we do not believe it is proportionate to provide local authorities the same flexible conditions to regulate their activity.

I am sympathetic to your position and recognise your legitimate role in representing the views of local authorities in England; but in this situation we need to be realistic about what is and is not possible. The Bill is at a very delicate stage as it makes its passage through Parliament and there is a very real risk that additional amendments will threaten the Bill's progress and jeopardise its passage into law – a position we all want to avoid.

I am very grateful for your continued support and that of the Local Government Association.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'J. Browne', with a long horizontal line extending to the right.

Jeremy Browne MP  
Minister of State