
THE MOTOR SALVAGE OPERATORS REGULATIONS 2002

1 SUMMARY

- 1.1 To advise Members of the introduction of the Motor Salvage Operators Regulations 2002, made under the Vehicles (Crime) Act 2001 (the Act). The Act came into effect on 21 October 2002. The regulations aim to make it harder for criminals to dispose of stolen vehicles and increase the chance of their detection if they do so.
- 1.2 The regulations require motor salvage operators to register with the Local Authority. This report proposes a registration fee to cover the Council's administration costs.

2 INTRODUCTION

- 2.1 The provisions of the Act regulating the motor salvage industry were developed by a Task Group of the Vehicle Crime Reduction Action Team (VCRAT). This was set up in 1998 to develop a strategy to meet the Government's 30% vehicle crime reduction target over a 5-year period.
- 2.2 The need for statutory regulation stemmed from a court decision that the Scrap Metal Dealers Act 1964 did not apply to the motor salvage operators. The lack of proper regulation meant that there were many opportunities for criminals to dispose of stolen vehicles.
- 2.3 The Task Group proposed statutory regulation requiring the industry to:
- Be registered
 - Maintain appropriate records of purchases and disposals
 - Require identification checks for vendors and purchasers; and
 - Allow police the right of entry to premises and the right of search without warrant.

3 SUMMARY OF PROPOSALS

- 3.1 The main provisions of the Act relating to the regulation of the motor salvage industry are given below:

Registration

- 3.2 Section 1 requires any person carrying on business as a motor salvage operator in the area of the local authority to register with that authority. The following details are required on the register:

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- full name and date of birth of the motor salvage operator (or Director or Partners);
 - residential address of the operator/partner or registered office; and
 - business address.
- 3.3 Each registration will be valid for 3 years and the operator will be responsible for renewing registration where necessary. The local authority must make the contents of the register available to the public and may charge a reasonable fee for this service. Residential addresses will not appear on the public register.
- 3.4 The following information will be required to complete an application for registration:
- full names and date of birth of relevant parties;
 - residential and business addresses;
 - whether any previous applications have been refused;
 - any convictions under part I of the Vehicles (Crime) Act 2001;
 - any convictions for any offences specified in the Motor Salvage Operators (Specified Offences) Order 2002; and
 - undischarged bankruptcy of the applicant or any director or partners of the business.
- 3.5 Application forms will be submitted to the local police for comment prior to the registration process being completed. The applicant should be registered unless the application form is incomplete, the fee has not been paid or if the Local Authority are not satisfied that the applicant is a “fit and proper” person to carry on the business. The expectation is that anyone declaring any of the above convictions would be refused registration.
- 3.6 The registered person is required to inform the local authority of any changes within 28 days. Any person failing to register will be guilty of an offence and will be liable, on summary conviction, to a fine not exceeding level 5 (i.e. not exceeding £5,000). Registrations can be cancelled if the local authority is satisfied that the person is no longer a fit and proper person to carry on the business.
- 3.7 The Act provides a procedure for an applicant to appeal to the Magistrates Court against a local authority's decision to refuse registration.

Local Authority Fees

- 3.8 The Authority is permitted to levy a reasonable fee for the operation of the scheme. Authorities only have an administrative duty under the Act any enforcement activities will be carried out by the police. A significant surplus should not be made in carrying out this statutory duty. The local authority duty should be straightforward; total administration time for

most applications should be in the order of 1.5hrs per application. The Local Government Association considers that the majority of authorities will be setting fees in the order of £40-£70 per application.

Keeping of Records

- 3.9 The motor salvage operator must, on receipt of a vehicle, keep the following records:
- details of vehicle including registration and identification number;
 - name, address and contact of supplier, including details of proof of identity; and
 - general condition of the vehicle.
- 3.10 On selling or disposal of any vehicle the operator shall add the following information:
- date of sale/disposal;
 - name, address and contact details of recipient, including proof of identity; and
 - condition of the vehicle at time of sale.
- 3.11 The records must be kept for 6 years and be accessible from the registered place of business. The Act gives the police right of access without a warrant to inspect the premises of a motor salvage operator registered by a local authority.

4 RESOURCE IMPLICATIONS

- 4.1 Most applications are anticipated to take approximately 1.5hrs to process; it is anticipated that the administration of this function would be carried out by an Environmental Health Assistant, and registration would be authorised by the line manager. Initially there will be additional officer time in setting up procedures, liaising with police and contacting motor salvage operators. Should there be a need to refuse a registration this could involve a considerable amount of officer time particularly if the decision is appealed.
- 4.2 It is difficult to know how many businesses are likely to come under the definition of motor salvage operator. Hence, the associated resource implications are not clear at this stage but Members should be aware that it is an additional statutory function that will have an impact on the time available for other duties.
- 4.3 The guidance produced by the Local Government Association provides a recommended hourly rate, which has been calculated to take into account all associated on-costs. Based on the recommended hourly rates, a registration fee of £55 is proposed.

5 LEGAL IMPLICATIONS

- 5.1 The registration function will be undertaken by the Head of Housing, Health & Community Care in accordance with the scheme of delegation set out in the Council's constitution.
- 5.2 It is important that the operator's personal details (residential address etc.) are excluded from the public register in order to meet the requirements of the Data Protection Act.

6 RECOMMENDATION

It is proposed that the Committee **RESOLVES**

To set the fee for registration of Motor Salvage Operators at £55.00 for the current financial year.

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Background Papers

The Motor Salvage Operators Regulations 2002 – Home Office and Local Government Association Guidance

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