

LEGAL AID, SENTENCING AND PUNISHMENT OF OFFENDERS ACT 2012

EXPLANATORY NOTES

COMMENTARY

Part 3: Sentencing and punishment of offenders

Chapter 9: Offences

Section 146: Offence of buying scrap metal for cash etc

799. [Section 146\(2\)](#) inserts new section 3A into the Scrap Metal Dealers Act 1964 (“the Act”) creating a criminal offence of buying scrap metal for cash etc.
800. The new section 3A prohibits scrap metal dealers paying for scrap metal other than by cheque or by electronic transfer. For the purpose of the offence, “paying” includes payments in kind using goods or services. Section 3A(2) gives the Secretary of State a power, by order (subject to the affirmative Parliamentary procedure), to permit other methods of payment. The offence does not apply if the payment was made in the carrying on of the dealer’s business as a scrap metal dealer as part of the business of an itinerant collector and, at the time of the payment, an order by the local authority was in force in accordance with section 3(1) of the Act is in force. A person guilty of the offence is liable on summary conviction to a fine not exceeding level 5 on the standard scale.
801. *Subsections (3) to (12)* make consequential amendments to the record-keeping requirements under sections 2 and 3 of the Act. These amendments include a requirement for the dealer to record the method of payment and keep a copy of any cheque or any receipt identifying the transfer. The record-keeping provisions referred to do not apply to itinerant collectors who have an order from the relevant local authority under section 3(1) of the Act.
802. *Subsection (14)* amends section 6 of the Act to provide a constable with a right of entry, exercisable by warrant, to a scrap metal store where scrap metal paid for contrary to the prohibition on cash payments has been received or kept, or to a place to which admission is reasonably required to ascertain whether the prohibition on cash payments is being complied with.