



Northern Ireland
Assembly

Committee for the Environment

OFFICIAL REPORT (Hansard)

Scrap Metal Dealers Bill:
Mr Roy Beggs MLA

10 November 2015

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Ms Anna Lo (Chairperson)
Mrs Pam Cameron (Deputy Chairperson)
Mr Cathal Boylan
Mr William Irwin
Mr Alban Maginness
Mr Barry McElduff
Mr Ian Milne
Lord Morrow
Mr George Robinson

Witnesses:

Mr Beggs MLA - East Antrim

The Chairperson (Ms Lo): You are very welcome, Roy, to present on your proposal for the Bill. I remind members that, at the moment, no Department has proposed to lead on the Bill; but the Business Committee will decide which Committee will undertake the scrutiny of the Bill, if it passes Second Stage next week.

Lord Morrow: How did this get on to our desk today, then, Chair? How did it arrive with us today?

The Committee Clerk: The Bill calls for the licensing regime to be with the Department of the Environment, but there are clearly functions for the PSNI in enforcement. The purpose of today's meeting is just to let members know what the Bill is about, because there will be a role for the Department of the Environment, and it could be that this Committee will be asked to look at the Bill.

Lord Morrow: Does that mean that other Committees will go through this exercise too?

The Committee Clerk: Only one Committee will undertake the scrutiny.

Lord Morrow: I understand that, but the Bill has not been given to a Committee yet.

The Committee Clerk: Not formally.

The Chairperson (Ms Lo): I think that Roy is aiming for the Department of the Environment to take on the Bill.

Lord Morrow: Is that a decision for Roy?

The Chairperson (Ms Lo): He is proposing that it rest with DOE. We will hear from Roy.

Lord Morrow: That is slightly different from what we were told earlier. We were told that this is a cross-cutting Bill.

The Chairperson (Ms Lo): Police Service or DOJ and then DOE.

Lord Morrow: Are any other Departments evident?

The Chairperson (Ms Lo): No.

Lord Morrow: So, it will be either the Committee for the Environment or the Committee for Justice. Roy is praying that it will be the former. Has he a reason for that?

The Chairperson (Ms Lo): Roy will explain further himself. It is to do with licensing the waste management. Licensing is obviously with DOE.

Roy has provided a graph, which is tabled for your attention. Hansard will be reporting this briefing. Roy, please move forward to present your proposal. There is also a list of suggested questions for members. With my voice going, I am hoping that all members will take part in asking questions. I was off sick last week. Roy, please proceed.

Mr Roy Beggs (Northern Ireland Assembly): Thank you very much for the invitation to come to present my proposal to the Committee. Irrespective of where the Bill ends up, there will be implications for those examining scrap metal sites. At present, there are some responsibilities with the Department of the Environment.

First, I want to say a little bit about my background and why I feel strongly about the need to do something to deter metal theft. I come from an area quite near to the village of Gleno. We got a new set of street lights put in, linking to the local shop in the village, but they went out after two weeks. When I enquired what had happened, I was told that the underground cable had been stolen. A few miles up the valley, there is Ballyvallagh electricity substation, which is quite a major substation servicing much of Larne. On two occasions, it has been targeted and copper earth cables removed. That endangered the station and could have resulted in a major blackout for a considerable time, affecting my constituents. On top of that, my church hall was targeted and lead stolen from the roof. Numerous schools — Greenisland, Downshire and Ulidia, to name but a few — have also suffered.

When I started to think about what was happening to all that metal, it came to my attention that, in Northern Ireland, metal can be traded anonymously. You do not have to show your ID, and you can get paid in cash: a recipe that suits criminals. That is not the same situation as in the rest of the United Kingdom.

In 1964, the Scrap Metal Dealers Act was introduced in England and Wales. It was designed to regulate who was deemed appropriate to be a scrap metal dealer and to try to prevent profiting from dealing in stolen goods. However, with soaring metal prices, particularly around 2011, it was clear that that was not working. Huge amounts of metal were being stolen. The Act was deemed to be insufficient, so the police in England and Wales introduced a voluntary scheme, Operation Tornado, asking scrap metal dealers to voluntarily record the details of those who provided them with metal. Most dealers joined up, but not all. That was followed by the Scrap Metal Dealers Act 2013, which started out as a private Member's Bill and was eventually taken on by the Department. The Act was approved and provided for cashless transactions and the identity of those selling metal to a dealer to be recorded.

The changes under Operation Tornado and the Scrap Metal Dealers Act have been credited with reducing scrap metal thefts in England and Wales by a third between 2012-13 and 2013-14. That was the result of those factors alone during that period. The interesting thing was that, at that exact time, nothing was happening in Scotland, and there is clear information to show that, while scrap metal theft declined in England, it increased significantly in Scotland. It is thought by many that organised crime actually moved north to Scotland. Scotland then reacted. In August, it implemented the Air Weapons and Licensing (Scotland) Act 2015, which brought in cashless transactions and the necessity for scrap

metal dealers in Scotland to record details. Again, Scotland already had legislation governing scrap metal dealers. However, we still have absolutely nothing to regulate who can set themselves up as a scrap metal dealer. We simply have the legislation on planning permission and environmental protection. In my mind, there is a clear gap in Northern Ireland. We are now in a situation where we do not have traceability and we are at risk of being targeted by some of the organised crime gangs who moved north into Scotland.

I notice in the recent report on serious organised crime that this is a matter of concern. It is not just somebody making a profit: organised crime is involved. In the recent report, they case studied a situation in Ballymena involving Robert John Mulholland and Mulholland Scrap Metals Ltd. Difficulties arose in June 2010. We are talking about very large numbers of tonnage being worked there with no licence or permissions. I certainly believe that if there had been a scrap metal dealer's licence, authorities would have been able to move much more quickly than they did by working their way through the environmental regulations and using them to close that site. If you examine that, you will see that there are certainly failings in our system in regulating.

In the Republic of Ireland, they have also been suffering from scrap metal crime. In fact, a headline in the 'Irish Daily Mail' in August this year read:

"Balkan gangs stealing ESB power lines, gardaí say".

Interestingly enough, we, too, have been suffering from this. In February 2014, the seventh theft of overhead cables occurred in Northern Ireland. Thieves literally use chainsaws to saw down the wooden poles. The cables come down, they earth and then they are rolled up and taken away. We need to improve what we are doing to try to make it more difficult for those who steal metal.

What has happened in Northern Ireland is that, after Operation Tornado, we introduced a voluntary scheme here as well. The trouble was that not all dealers bought into it. Initially, I think that there were four large dealers who did not volunteer for it. The last information that they had was that one sizeable dealer had not. On top of that, I am not aware that mobile scrap metal dealers are involved in this at all. Therein lies weaknesses between these two areas whereby anonymous trading can continue and those involved in criminality can profit.

I actually visited a couple of scrap metal yards in the course of my investigation. Both are run exceptionally well and are very detailed. The voluntary scheme is already recording all the necessary details. The main change that this scheme would bring in would be that of moving towards a cashless system. In England, they are totally cashless. I am proposing that, initially, there would be a limit of up to £100 in cash. I recognise scrap metal dealers' concerns about the levels of bureaucracy with going to an entirely cashless system. There are also concerns that some trading may go across the border and local businesses will lose out as a result. I also want to empower the Minister to be able to reduce that amount. In fact, we could move towards a cashless system without further primary legislation, if the Minister were empowered to adjust that moving forward.

I have not just blindly copied the English legislation. I have built in that change with a £100 a month cash limit for any transaction. I have also recognised that major difficulties could arise for some of the smaller yards and car-recycling areas. For them, what I propose to do is, again, try to minimise the bureaucracy involved. The English legislation requires all purchases to be recorded by the scrap metal dealer. I agree that it is vital to know where material is coming from, but do we really need to know who a car dealer sells a car handle to and require that customer's ID and driving licence? Do we really need to know who buys a second-hand wing mirror, door or boot lid? I suggest putting in a limit. If the item weighs less than 50 kg, they would not need to ask for ID. I am trying to adapt the English legislation to something that I think would be more practical here. Nevertheless, major car components, such as engines and gearboxes, would generally be covered. They are the high-value items. Clearly, there would need to be traceability of who they were sold to, and that, if there was trading in stolen cars, would enable a chain and identification of where the component was.

Why am I here? I went to the Department of the Environment, initially, and Minister Alex Attwood told me that he did not have the vires to introduce this type of legislation. It is beyond the power of his Department. He also indicated, however, that he agreed in principle with the introduction of legislation to regulate scrap metal dealers as an industry. He also pointed out that in England and Wales and, indeed, Scotland, it is generally the justice side that has handled this. I went to the Minister of Justice, but he has other priorities — I shall put it that way — such as the reform of the Prison Service and legal aid. My proposals did not get any traction, as the Minister did not want to go beyond the voluntary scheme.

I am aware that the voluntary scheme has been successful in drawing down the amount of theft in Northern Ireland, and that is why I decided to present you with this graph. The blue line at the top is the price of copper in dollars. The red line below is the price of copper when converted into sterling. The bars are the level of thefts. What is very apparent from this graph is that when the value of metal goes up, thefts go up. It is market forces at work. There is a very clear correlation between the level of theft and the value of copper or, indeed, of any material.

Turn the page over to the other side. What is interesting here is the information from the NASDAQ website showing that the price of copper and, indeed, the price of lead, have roughly halved over the last three to four years — sorry, copper within the last five years and lead within the last three to four years. What I am showing you is that part of the reduction in theft will be due to the reduction in the price of metals, and if the price of metal were to return to its 2011 value, you could expect a significant increase in metal theft once again. I am just concerned that some people may be content that the problem is solved. I am saying that there are dangers on two fronts, both from roving gangs who have been displaced from other parts of the United Kingdom, and from an increase in metal prices, which would have a major impact.

In the Justice Committee earlier this year, Mr Wilfred Mitchell, from the Federation of Small Businesses, highlighted that:

"One area of rural crime that has been of concern to our members is metal theft."

So that continues to be a concern. Also at the meeting was a representative of the Police Service of Northern Ireland, whose final comment was:

"If it were a mandatory code of conduct, it would make it much harder for metal to be sold on. That means that it would be much easier to reduce the incidence of metal theft."

Clearly, the police are saying that introducing a mandatory scheme will drive the amount of theft down and make it easier for them to trace, and ultimately prosecute, those involved. It is therefore clear to me that there is an ongoing need.

I go back to the issue of why the Environment Committee as opposed to the Justice Committee. I am aware that the Department of the Environment engages with scrap metal dealers on a wide range of issues at present. There is the issue of consent to discharge water. There is also the issue of waste management licences for moving materials. All that is looked after under waste management legislation. I was trying to think of a mechanism that would minimise cost and bureaucracy. If there are officials who are already examining sites for a range of issues — to check out if waste transfers are happening appropriately, for example — perhaps scrap metal licensing could be added to their portfolio and combined with that. I can see possible efficiencies, so that dealers do not face visits from lots of different government bodies and departments. If there is a visit, multiple issues can be inspected at the same time. It is for that reason that I have suggested in my Bill that the Department of the Environment has responsibility for it. However, I have given clear powers to the police to have access and to inspect for themselves, if they have cause, even just by way of inspection.

I hope that that explains some of the questions earlier. I am happy to take any questions from members.

The Chairperson (Ms Lo): Thank you very much, Roy. I am aware of scrap metal crime happening in south Belfast for a number of years: youngsters climb up on roofs of social housing and take lead off the roofs. In some empty homes, they go in and take away the copper piping, which causes extensive flooding in homes. I am aware of the issue. I certainly support the sentiment of the Bill. My question is on DOE taking the responsibility for it. You said that the Minister already said that he has no power in this regard, so how —

Mr Beggs: He has no powers, but the legislation can give power.

The Chairperson (Ms Lo): Right; so, it is dependent on bringing in legislation. With waste management licensing, it is really to do with environmental issues. Your Scrap Metal Dealers Bill is very much on theft, which very much lies with DOJ. I am just thinking about how we reconcile the principle of that.

Mr Beggs: We need to have joined-up government. Do we really need to have two different officials going in, one managing and inspecting waste management transfers and another examining a book of any purchases that have come in? We need to have joined-up government. Why can the one person not do both?

The Chairperson (Ms Lo): Your Bill is very much saying that it should be the police going in to check whether people are taking records or cashless transactions. You did not say that it would be DOE officials going in.

Mr Beggs: Obviously, the DOE will have to satisfy itself that licensing conditions are being maintained. There are mechanisms in the Bill for withdrawing licences where that is not the case. I took advice from draftsmen when getting the Bill together. I am open to amendments if they have to be made to make the Bill more precise. That is the purpose of the Committee Stage of any Bill.

The Chairperson (Ms Lo): At what stage would you anticipate police going in to scrap metal yards?

Mr Beggs: The police will have the ability to wander in at any time to inspect a site.

The Chairperson (Ms Lo): They need a warrant, I think, according to your proposal.

Mr Beggs: They would certainly need due reason for going in, but that could be down to a theft in the area. I am quite sure that reasonable suspicion can be gained for wanting to go in and ensure that all transactions are being recorded and to have a look around the yard to see whether the stolen material might be found. The Bill will have particular powers where lorries enter sites and deposit materials and we find that there are no corresponding records. Let us be practical about it: it will be very difficult to trace bits of scrap metal, but it would be much easier to determine whether operators are fulfilling their duties. If you were to sit at a site for a few hours, you would see a number of vehicles going in. You could then go in and double-check that everything is being recorded appropriately. I also think that there is a big issue with the mobile operators, because who knows where they are getting their metal from. It will be lots and lots of different people, and it is important to create a chain of where material is being sourced from, because that might be coming from the young people you talked about earlier.

The Chairperson (Ms Lo): I will let other members come in.

Mrs Cameron: Thank you, Roy, for your presentation. On the face of it, I do not think that many people would argue with the need for this type of legislation. It sounds like a very sensible approach to a problem. There are questions about which Department will see this through; whether it will be the Department of Justice or DOE. What has happened with the legislation that has been introduced elsewhere? It might not apply to Scotland. Is it just England and Wales that now have similar legislation?

Mr Beggs: England has had legislation since 1964. In Scotland, there is certainly a 1982 Act. I am not sure if there is an Act from earlier than that. Both now have the equivalent of the Scrap Metal Dealers Act 2013, which requires details of every transaction, sourcing where the material is coming from, recording where it is coming from and an end to cash transactions. Scotland introduced that in August this year, when it got Royal approval.

Mrs Cameron: Which Departments are looking after that legislation?

Mr Beggs: It is the Home Office in England and the justice Department in Scotland.

Mrs Cameron: Should this legislation get through the next stage, do you see a need for a joint Ad Hoc Committee on it?

Mr Beggs: It is very clear in my mind that there are issues that affect justice and the environment. I referenced waste management legislation earlier, and that governs movement of all waste. Scrap metal dealers move waste about. There will be lots of movement of waste, and there is a need for inspection of that. A joint Committee might be one way. I understand that it will be up to the Business Committee to determine that. It might come down to not which one would be the best but which Committee has a space. I am not sure what legislation is going through the Justice Committee at this

stage, and I am not sure of your immediate workload. I understand that it is the role of the Business Committee, should the Bill be successful at the Second Stage, to determine a Committee that will be capable of handling it and that has the time available.

Mrs Cameron: What contact have you had with the Department of the Environment regarding the proposed Bill? Has it responded to the consultation?

Mr Beggs: I have had at least two meetings with the former Minister and had correspondence with the Department over the period. As I said earlier, it is generally supportive of the Bill but thinks that Justice should be looking after it. Meanwhile, Justice does not really view it as a priority.

Mrs Cameron: At all?

Mr Beggs: It thinks that the voluntary scheme is sufficient, but, as I have pointed out, there are weaknesses with the voluntary scheme. I gave a quote from a police officer who works in this area and who attended the stakeholder meeting that the Justice Committee organised that indicates that there are merits in having a mandatory code through legislation.

Mrs Cameron: You talked about the fact that not all the dealers have signed up to that voluntary scheme. Do you have any indication as to why that is the case?

Mr Beggs: I think that it speaks for itself why some have not signed up.

Mrs Cameron: Finally, you talked about cash limitations for dealers and moving towards a cashless system. You are talking about a cap of about £100 of cash. I do not deal with scrap metal dealers. How do they operate presently? Is cash the main form of transaction?

Mr Beggs: My understanding is that it is mainly cash. Some of them are handling thousands of pounds of cash. I visited one dealer who clearly had very heavy security to prevent him being targeted because of the cash that was available on the site. That is frequently the mode of transactions in the scrap metal industry.

Mrs Cameron: I presume that the dealers themselves would not be terribly keen on moving away from that.

Mr Beggs: One dealer did say to me that it would probably result in him saving some money in insurance, because it was a high risk for him to have a large amount of money on his premises the whole time. Cash costs with banking can also be expensive, so there can be other benefits, but sometimes people like dealing in cash.

The Chairperson (Ms Lo): The audit trail is so important when dealing with cash. It is difficult to have traceability of how money comes and goes.

Mr Milne: Thanks for your presentation, Roy. It was very interesting to hear all that is going on on that front. One of my questions follows on from what Pam was saying about dealers. Is there an umbrella group, body, association or federation that dealers tie into?

Mr Beggs: There is the British Metals Recycling Association (BMRA). As part of my consultation, I had a lunchtime meeting to which I invited Assembly Members and members of utility groups in Northern Ireland — NIE, British Telecom, Northern Ireland Water and Translink. Public bodies have all been suffering from metal attacks, so I had a meeting with them in the Building. That evening, I had a meeting here to which I invited any person whom I could identify as a scrap metal dealer through the 'Yellow Pages' and the internet. Mr Ian Hetherington from the BMRA was there and made a presentation to them along with me, and we took feedback. I am not aware of there being a body in Northern Ireland.

Mr Milne: From those conversations, is it the case that they would be in favour of legislation to this effect?

Mr Beggs: I do not think that anybody likes change. Flexibility with cash can suit on occasions. Some were open to change, and some were aware that the industry has a mixed reputation.

However, it is clear that there are significant businesspeople involved in recycling metal, getting reuse from it and converting what would otherwise be waste back into useful material. Some people have invested millions of pounds, and they certainly do not wish to have anything that might threaten their business because of questionable transactions. I suspect that some of the bigger concerns might be more content to move than some others.

I came across some very well-run family yards and was amazed by the technology already in play to provide traceability. There are scrap metal dealers who, probably as part of the voluntary scheme but also by way of good management themselves, already have CCTV records of vehicles coming into yards. You can even see pictures of lead that they have sold. There is already considerable traceability available to many dealers.

Mr Milne: Do you have any idea of how the statistics break down by area, along the border, for example, where dealing is going wrong?

Mr Beggs: I am not aware of any publicly available information on where dealing occurs. The police present information about where thefts occur.

Mr Milne: Did you say that there was legislation in the South?

Mr Beggs: The South has started to tighten legislation involving waste materials. They brought out the Waste Management (Facility Permit and Registration) (Amendment) Regulations 2014, but those govern material that protects the environment and human health, so I do not think that that applies to metal in the South. However, it is clear that they already have a mechanism whereby they could bring in similar legislation if there was a will.

Mr Milne: I think that you said that they moved from England to Scotland when there was no legislation in Scotland. If there was legislation here, surely those people, if they were that way inclined, would just move to the Southern market. Therefore, the thieving will carry on in the North, but the market will be in the South, if you get my point.

Mr Beggs: You have to appreciate that, to be successful in thieving, you have to get away with it, and I think that there is a risk of that. It would be better if legislation were also brought in the Republic of Ireland. However, you cannot wait for somebody else to do something; you have to try to do something yourself and encourage others to improve as well. I am saying that, at this time, Northern Ireland is open for anonymous transactions in a way not in place anywhere else in the United Kingdom and that, unless we do something, we will become vulnerable to gangs who might have operated there. I think that we want to make transactions as difficult as possible, and there is a risk of material moving South.

Would it not be good if the Republic also introduced legislation? There was an attempt at a private Member's Bill in the Republic of Ireland, but it would have included transaction in gold and silver, and that was much too wide. There are different industries here, and it was unsuccessful. I saw figures from down South that over 140 kilometres of overhead cable had been stolen. Signal wire alongside railway lines has been stolen, endangering trains and, in fact, resulting in train schedules having to be cancelled because they could not maintain public transport without safe communication. There is a major problem in the Republic of Ireland, and, as I quoted earlier, the gardaí think that gangs are coming in from the Balkans to target certain areas. They fly in for the weekend, do their operation and then get out. Who knows what happens to the material that is left behind?

Mr Milne: Thanks very much for your answers.

The Chairperson (Ms Lo): The issue is displacement. When we were looking at used tyres, we said that if we have one scheme in the North we need to have a similar scheme down South. If not, you simply move the problem from one region to the next. I think that this legislation will, in some ways, force the Republic of Ireland to strengthen its legislation.

Mr Beggs: Of course, metal is generally quite a heavy material, and, as such, it can be expensive. There is a cost to transporting it, and I agree that copper and lead in particular could be transported. I suspect that scrap metal will not be transported but that there is a risk that the higher-value ones could travel onwards. It would be useful to lobby in the Republic. If we had the legislation, you could be

sure that all the gangs that previously operated in parts of the United Kingdom would target somewhere else.

Mr Boylan: Thanks very much, Roy, for your presentation. I suppose that, in principle, it is not a bad idea in trying to address the issue. I have only one issue. Have you talked to the PSNI about overall theft, or are there any stats on exactly what percentage of theft and crime is accounted for by scrap metal?

Mr Beggs: I do not know what percentage of overall theft it is. As I have acknowledged, I am aware that there has been a considerable reduction with the voluntary scheme in place and the reduction in metal prices, but I believe that it is wrong to sit on your laurels and think that that is OK. Any theft is traumatic, should it be a pensioner's house that gets the lead stripped off it, because of the ingress that occurs. It is not just the price of the lead; it is the damage that happens to the property as well. I do not know what proportion of overall crime it is.

Mr Boylan: The only reason I ask is that I am trying to gauge the prevalence of it and who is responsible for it, because you are trying to introduce legislation here. I could sit here and say that it is a DOJ matter and, obviously, a PSNI matter. That is the only reason I ask that question. What is the economic and financial impact on businesses? Have you done any work in relation to all of that in terms of operator licensing?

Mr Beggs: The costs introduced in England and Wales have been — from memory — about £300 to £400, although some have been as low as £160. There is a cost of providing administration, but we also have to be aware of the cost to businesses of not doing it. For example, Translink suffered £145,000 worth of thefts. I am aware that a section of rail on a disused line was marked off and all the kits were removed ready for selling up. What is the cost if a live track is stolen because we do not have enough legislation to deter criminals from thinking that they can get away with it? There are major cost implications from damage to business and from health and safety risks that result from the theft of materials. In June this year, three or four tons of copper were stolen from a Northern Ireland Electricity depot in Enniskillen. There are large amounts still being stolen.

Mr Boylan: I do not disagree with that principle. Clearly what you are trying to bring forward is to stop that so that there is no outlet for it.

Mr Beggs: I am trying to make it more difficult.

Mr Boylan: As my colleague said, they might ship it somewhere else. I want to use this example. What impact do you feel it would have? Say I was an electrician working on an industrial site where there were off-cuts of electrical cable. It could be any site. If I got an agreement with the boss to pick them up over a period of three or four months, de-sleeved them and got so much, then took them down to scrap metal to value them, that would probably be a cash transaction. What would you say about that? How do you think it would impact?

Mr Beggs: For a start, I put in the proviso that up to £100 could be dealt with using cash. The individual selling it would have to provide ID showing who they were so that the supplier is traceable. That will simply create a record. Is it reasonable that somebody working as an electrician with off-cuts of wiring would want to sell it? It is perfectly reasonable. If he was selling tons of the stuff that way, there would be question marks, but I cannot see there being any difficulty. The only thing that I foresee changing would be that he would have to show his ID as he made the transaction with the scrap metal dealer.

Mr Boylan: That is the way of recording it then. The dealer would record the information.

Mr Beggs: The dealer would record who he bought that bit of copper from and the weight of it.

Mr Boylan: On a final point, there is legislation to deal with waste and end-of-life vehicles in DOE. You are saying that the early indication, when you discussed it with DOE, was that it did not really want to get involved. Is there any way of tying it in with other legislation on waste? Did you discuss that?

Mr Beggs: The primary legislation sets out what has to be done; how it is actually done is left to the Department. I am aware that, in August, the Department started to tighten up the waste management

of car-recycling yards. That is a form of scrap metal yard. Can one piece of legislation or regulation do everything? There is potential, for instance, to have one application form. If someone wants to start a recycling yard, you could have one application form that fits into the scrap metal licensing bit, the water licensing bit and the waste management bit. Legislation should not be too prescriptive; you have to set out what has to be done and allow civil servants to implement it.

Mr Boylan: Just finally, do you have any detail on the number of businesses you contacted, the average responses that you got from them, and what the majority of them said?

Mr Beggs: There were about 30 people at the meeting in room 115 in Parliament Buildings. It was some time ago, and I cannot remember the exact number, but 50 or 60 invitations went out to anybody listed under "scrap metal" in 'Yellow Pages'. I also searched the Internet for any other scrap metal dealers in Northern Ireland.

Mr Boylan: What sort responses did you get? Were they positive or negative?

Mr Beggs: I got a mixed response. I have provided the Library with a copy of the responses to all the questions that I was asked during the public consultation.

The Chairperson (Ms Lo): We have it in our packs.

Mr Beggs: There was a very supportive response from the public, who recognised that legislation is needed and that what we are doing is not sufficient to deter theft in the area. I was very encouraged by the response.

I had some early ideas that, from the responses, will clearly not work. Having visiting some scrap metal yards, I am aware that the idea of storing all the metal for a day or two so that someone could inspect it to ensure that it is not stolen would not work. I have tried to introduce ideas that are workable.

The Chairperson (Ms Lo): I want to pick up on a point that you discussed. Is there any existing DOE legislation for scrap metal dealers that could be extended to include what you propose?

Mr Beggs: Northern Ireland has no legislation regulating the licensing of scrap metal dealers; I was quite surprised when I found that out. Legislation has existed in other parts of the United Kingdom for decades, but we have none.

I have not engaged with officials, but I see a lot of commonality with waste management licensing and the tracking of movements of waste material. All that has to be recorded, and this is just another form of movement of a waste material.

The Chairperson (Ms Lo): We talk so much now about the circular economy and treating waste as a resource. In some ways, you could sell it differently and, rather than saying that it is about theft, you could say that it is about recycling or better recycling. Maybe the DOE —

Mr Beggs: We do not want people to thieve to recycle.

Mr A Maginness: Thank you very much for your presentation. It is an interesting piece of legislation.

Lord Morrow: Chair, can I interrupt Alban?

Mr A Maginness: Certainly, Lord Morrow.

Lord Morrow: I have to go to the House to ask the Minister of Enterprise, Trade and Investment a question.

Mr A Maginness: Go you ahead.

Lord Morrow: No. I have a list of questions; it would take too long to ask them all. I have to go to ask the question, but, hopefully, you will still be going when I get back.

The Chairperson (Ms Lo): We are trying to finish by 2.15 pm. I have questions too.

Lord Morrow: I think that I am down to ask question No 2 or something like that.

The Chairperson (Ms Lo): OK. You go and come back.

Lord Morrow: Excuse me. Thank you.

Mr A Maginness: It is an interesting piece of legislation, and people will be generally supportive of it. It really is for the prevention of non-environmental crime, and similar legislation in Britain and Scotland all seems to be criminal justice legislation. Do you have a position, or are you neutral, on whether the Department of the Environment or the Department of Justice should take it on?

Mr Beggs: My only thought is that I do not like creating bureaucracy. My Dad runs a farm, and I hear complaints from farmers about the Department of Agriculture coming in to inspect things and then the Department of the Environment coming in to inspect things. Why can one person not deal with it? I was a production manager, and you are always trained to do things efficiently. I do not know why we would have two people going in to inspect records. As long as the legislation empowers the police, it does not matter which Committee this goes through: I do not care. However, I thought that there might be efficiencies in linking up with other regulations.

The Chairperson (Ms Lo): The Environmental Better Regulation Bill is about streamlining different pieces of permitting and licensing.

Mr A Maginness: I agree with Madam Chair. We could deal with it in that way.

I have a final point, although it may not be as germane as my previous question. Clause 16(7) states:

"The following are not scrap metal—

(a) gold;

(b) silver;"

Why do you exclude gold and silver? Is there a rationale for that? Even though they are precious metals, I would have thought that the same pressures are there in relation to their value.

Mr Beggs: The guidance that I gave to the draftsman did not include anything about gold and silver; it was not really on my radar. I was focused on the difficulties. The draftsman has largely replicated the 2013 legislation, which is proving successful. I gave that as a direction, along with other drafting instructions, and that is what he has come back with. I understand that other legislation governs gold transactions. I am not sure whether it is applicable in Northern Ireland, but there may be other legislation governing transactions in precious metals.

Mr A Maginness: If necessary, you would address your mind to that.

Mr Beggs: I have always been conscious that one of the flaws in the legislation in the Republic of Ireland, and one of the issues that was highlighted by the Minister responding to it, was the fact that it tried to do too much; it tried to do scrap metal and gold and silver. When the draftsman came back with that in the Bill, I thought that that probably made sense and that there were probably practical reasons for that. There might be a need for specific legislation for gold and silver.

Mr A Maginness: You want to keep harmony between North and South.

Mr Beggs: I do not want to trip up.

The Chairperson (Ms Lo): Do lead, copper and aluminium form the majority of the metals dealt with by scrap metal dealers?

Mr Beggs: It will be any metal dealt with by scrap metal dealers. I understand that there are some exemptions for swarf coming from somebody who runs a machine shop; it would be exempted in a

different way. The vast majority of metal will be steel — old cars, machinery, etc. The highest value will be copper and lead, and that is the area that criminals have targeted.

The Chairperson (Ms Lo): Lord Morrow wants to come back, and I also have a question. Maybe we should adjourn, and Lord Morrow can follow up with a question.

Mr A Maginness: I cannot return; I have to go to another meeting.

The Chairperson (Ms Lo): We have Environment questions at 2.45 pm.

Mrs Cameron: We have other meetings too, Chair.

The Chairperson (Ms Lo): I know. Roy, if you do not mind, perhaps Lord Morrow could come back to you separately and ask you further questions, because we all have to go to Question Time.

Mr Beggs: Fine. I am happy to have one-to-one engagement.

The Chairperson (Ms Lo): Thank you very much. It is interesting. We will hear the Second Stage debate on it.

Mrs Cameron: Do we know when the Business Committee is to make a decision?

Mr Beggs: Second Stage is Monday.

The Chairperson (Ms Lo): It will be Tuesday, after Second Stage.

Mr Beggs: Second Stage is Monday and, thereafter, the Business Committee refers it, assuming that it passes that stage.

The Chairperson (Ms Lo): So it will be Tuesday, most likely.

The Committee Clerk: If there is no lead Department, it makes the decision.

Mrs Cameron: If no Department takes it on on Monday, it will make the decision.

The Committee Clerk: If that is still the case at Second Stage, it will decide which Committee it should go to for scrutiny.

The Chairperson (Ms Lo): Do you have a Minister to respond at Second Stage?

Mr Beggs: No. Perhaps the Executive have decided. I do not know what the process is. I am an orphan; nobody wants me. *[Laughter.]*

The Chairperson (Ms Lo): Ah. I believe that it is a good piece of legislation, which is overdue. Thank you very much, Roy.