

# **CABINET**

**Meeting date: 12 January 2012**

**From: Cabinet Member for Adult Social Care  
Corporate Director - Adult and Local Services**

## **BLUE BADGE IMPROVEMENT SCHEME**

### **PART A - RECOMMENDATION OF CABINET MEMBER**

#### **1.0 EXECUTIVE SUMMARY**

- 1.1 *The Department for Transport's Blue Badge Improvement Scheme (BBIS) which will be introduced nationally from 1 January 2012 introduces a number of changes and developments for Blue Badges.*
- 1.2 *Many of the changes within the BBIS are national; however, local discretion can be applied in relation to the application fee. The fee for Blue Badges is currently capped at £2 and local authorities are being asked to decide on a new charge up to £10. This is the first time that there has been an increase in the fee for nearly 30 years. The increase in fee is to help local authorities cover costs more appropriately and to fund delivery of a more secure national badge design. The decision rests with the local authority regarding the level badge fee set up to a maximum of £10.*
- 1.3 *A period of consultation was undertaken in Cumbria to inform the decision regarding increasing the fee. The consensus from badge holders was overwhelmingly in favour of the increase as it was widely considered that £10 represented good value for money, particularly when considered in light of the aim to reduce fraud and abuse of the scheme.*

#### **2.0 STRATEGIC PLANNING AND EQUALITY IMPLICATIONS**

- 2.1 *The development of the Blue Badge Improvement Scheme continues to ensure that the most vulnerable people in our communities receive the support they need. The increase in fee is proposed by the Department for Transport to allow for some of the core components of the Blue Badge Scheme to be improved. For example, the new Blue Badge design aims to make it harder to copy, forge and alter thereby reducing abuse of the Scheme.*

- 2.2** *The introduction of BBIS continues to leave local authorities with the responsibility of assessing eligibility for the Blue Badges. The new scheme will centralise the distribution of badges, and Cumbria County Council will incur the £4.60 charge per badge that each local authority must meet.*
- 2.3** *The Blue Badge Scheme supports the Council's Plan in relation to enabling citizens to enjoy an independent and healthy life. BBIS delivers benefits to the individual Blue Badge holder in relation to:*
- *A central database to allow for quicker, automated checks which can reduce processing time.*
  - *Better enforcement processes undertaken by Parking Enforcement Officers across the Country to check on badges issued by any local authority. This will reduce the fraudulent use of badges.*
- 2.4** *It was evident from the consultation feedback that Blue Badge holders greatly value the use of their Blue Badge and the concessionary parking benefits it offers to support their mobility needs. There has been no demonstrable evidence throughout the consultation to suggest that the price increase will affect the availability of the scheme in Cumbria.*
- 2.5** *The consultation on the Blue Badge Improvement Scheme undertaken reinforces wide support from Blue Badge holders and the community as a whole of increasing the fee to tackle abuse and fraud of the scheme and to cover costs more appropriately by the local authority.*

### **3.0** *RECOMMENDATION*

- 3.1** *In line with national legislative changes and following local consultation, the recommendation is to increase the Blue Badge fee to the maximum of £10. This will be paid every 3 years by badge holders.*
- 3.2** *The badge fee to be introduced with effect from 1 March 2012.*

**James Airey, Cabinet Member for Adult Social Care**

## **PART B – ADVICE OF CORPORATE DIRECTOR – ADULT AND LOCAL SERVICES**

### **4.0 BACKGROUND**

4.1 The Blue Badge Improvement Scheme led by the Department for Transport is the key driver for changes to Blue Badges. A number of the developments are non-negotiable by the local authority, such as the development of a national database and central printing and distribution of the Blue Badges.

4.2 The current production of the actual Blue Badges will be centralised nationally. Payne Security has been awarded the contract to print and distribute the badges at a cost of £4.60 excluding VAT per badge. Local authorities will pay a charge per badge, which is fixed for the duration of the five year contract.

4.3 The benefits of the wider changes such as the new blue badge design include:

- Fraud prevention – automated checks can be made at the application stage to prevent multiple and fraudulent applications.
- Use of sophisticated anti fraud technologies on the new badge, more security in the supply, storage and distribution of the badge
- Quick and easy enforcement checks by officers anywhere in the country on badges issued by any local authority.

4.4 The current breakdown of costs for delivering the Blue Badge Scheme in Cumbria is:

*Based on 2010 – 2011 figures*

<b>Current</b>	<b>Fee / Charge</b>	<b>Volume</b>	<b>Total</b>
New Applications	-£2.00	4526	-£9,052
Replacement Badges	-£2.00	235	-£470
Renewals	£0.00	7951	£0
<b>Income</b>			<b>-£9,522</b>
Stationary	£0.52	12712	£6,610
Staffing (3.5 fte)	£18,920	3.5	£66,220
<b>Expenditure</b>			<b>£72,830</b>
<b>Total net Cost to Council</b>			<b>£63,308</b>

In Cumbria, the £2 fee is currently charged for all new and replacement applications. There is no charge to renew the badge. The rationale for removing the £2 fee for renewals in 2008 was that the previously arduous process to renew the badge was stopped when Cumbria ceased contacting GPs to re-assess an application. This was at an average cost of £28 per assessment which was a cost picked by up Health.

4.5 On the basis on increasing the fee for all badges issued to £10:

*Based on 2010 – 2011 figures*

<b>Proposed</b>	<b>Fee / Charge</b>	<b>Volume</b>	<b>Total</b>
New Applications	-£10.00	4526	-£45,260
Replacement Badges	-£10.00	235	-£2,350
Renewals	-£10.00	7951	-£79,510
<b>Income</b>			<b>-£127,120</b>
Cost to CCC	£4.60	12712	£58,475
Refunds to unsuccessful applicants	£10.00	379	£3,790
Staffing (3.5 fte)	£18,920	3.5	£66,220
<b>Expenditure</b>			<b>£128,485</b>
<b>Overall Total net cost to Council</b>			<b>£1,365</b>

The assessment of eligibility for a Blue Badge against the criteria rests with the Local Authority.

In April 2011, in line with the Government's Health Reform Grant desk based assessments were introduced to deal with Blue Badge applications and assess against the criteria for a Blue Badge. As such GPs are no longer involved in the Blue Badge application process.

If the fee rises to £10 per badge, the introduction of online payments becomes feasible to further streamline the process and offer more flexibility for the public.

4.6 To retain the status quo in terms of badge fee represents a significant additional cost for the authority:

*Annual - based on 2010 – 2011 figures*

<b>Retain Current Fee Structure</b>	<b>Fee / Charge</b>	<b>Volume</b>	<b>Total</b>
New Applications	-£2.00	4526	-£9,052
Replacement Badges	-£2.00	235	-£470
Renewals	£0.00	7951	£0
<b>Income</b>			<b>-£9,522</b>
Cost to CCC	£4.60	12712	£58,475
Staffing (3.5 fte)	£18,920	3.5	£66,220
<b>Expenditure</b>			<b>£124,695</b>
<b>Total net Cost</b>			<b>£115,173</b>

4.7 A consultation was undertaken in Cumbria regarding the proposed changes with the badge fee.

The responses demonstrated overwhelmingly favourable support for the proposed increases. The support was predominantly on the basis of tackling abuse and fraud of the scheme; thereby providing greater access to concessionary parking provision for Blue Badge holders. The consultation focused on:

- Whether citizens agreed or disagreed that the price increase was reasonable;
- Whether the badge fee was affordable.

The responses also highlighted the view that the badge fee still represented good value for money for the concessionary parking benefits it offers.

During the consultation, lack of availability of disabled parking bays was a particular theme emerging. It is proposed that in 2012 focussed activity is undertaken to remind blue badge holders of their responsibilities and to target non-badge holders who misuse or abuse the scheme.

## **5.0 OPTIONS**

- 5.1 To increase the fee to £10 for all badges awarded following the Department for Transport's legislative changes. This allows the costs of delivering the scheme to be more effectively covered.
- 5.2 To retain the current fee of £2 – this would represent an additional cost to be met by the authority in view of the charges being incurred from 1 January 2012. Research has informed that other Council's are introducing the £10 fee and alignment would prevent a postcode lottery.
- 5.3 Cumbria has discretion to charge the Blue Badge fee, from nil charge to £10. Research has indicated that other local authorities are increasing the badge fee to £10.
- 5.4 Delay the introduction of the new fee of £10 from 1 January 2012 when the Department for Transport's legislative changes are introduced, to 1 March 2012. This represents additional costs to Cumbria County Council of approximately £9k as the costs to the Council for partaking in the statutory national scheme will take effect from 1 January 2012.

## **6.0 RESOURCE AND VALUE FOR MONEY IMPLICATIONS**

- 6.1 As detailed in 4.4 above the current charging structure for blue badges does not cover all costs associated with providing this service and the annual net cost to the Authority is currently £63k.
- 6.2 The preferred option, increasing the fee to £10 for all badges enables the local authority to cover the costs associated with running, delivering and developing the Blue Badge Scheme in Cumbria as shown in the table at 4.5.

- 6.3 Retaining the current fee structure increases the local authority's net costs from £63k to £115k per annum (as shown in 4.6, a rise of £52k per annum, which is as a direct result of the national changes regarding the production of badges.
- 6.4 The most cost effective charging policy is therefore as detailed in Section 3.0 Recommendations above. PT 24.11.11

## 7.0 LEGAL IMPLICATIONS

- 7.1 Existing (or shortly to be revised) parking agency arrangements with the various District Councils will ensure that revised Blue Badge enforcement will be a function that will be picked up by our partner authorities.
- 7.2 There are no other direct legal implications to report at this stage. BD 24.11.11

## 8.0 CONCLUSION

- 8.1 The Department for Transport's Blue Badge Improvement Service is the key driver for change. A number of the changes are non-discretionary from the local authority point of view such as the introduction of the centralised printing and production. This has a real cost implication for Cumbria County Council. In order to effectively cover the costs of delivering this service, an increase in fee is required.

**Richard Parry**  
**Corporate Director – Adult and Local Service**

3 January 2012

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## APPENDICES

### Appendix 1: consultation results – analysis

Electoral Division(s): All

Executive Decision	<input type="checkbox"/> Yes*	<input type="checkbox"/>
Key Decision	<input type="checkbox"/> Yes*	<input type="checkbox"/>
If a Key Decision, is the proposal published in the current Forward Plan?	<input type="checkbox"/> Yes*	<input type="checkbox"/>
Is the decision exempt from call-in on grounds of urgency?	<input type="checkbox"/>	<input type="checkbox"/> *No
If exempt from call-in, has the agreement of the Chair of the relevant Overview and Scrutiny Committee been sought or obtained?	<input type="checkbox"/> Yes*	<input type="checkbox"/> N/A*
Has this matter been considered by Overview and Scrutiny? If so, give details below.	<input type="checkbox"/>	<input type="checkbox"/> No*

Has an environmental or sustainability impact assessment been undertaken? 

		N/A*
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Has an equality impact assessment been undertaken? 

Yes*		
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***N.B. If an executive decision is made, then a decision cannot be implemented until the expiry of the eighth working day after the date of the meeting – unless the decision is urgent and exempt from call-in and the Corporate Director has obtained the necessary approvals.***

**PREVIOUS RELEVANT COUNCIL OR EXECUTIVE DECISIONS**  
***[including Local Committees]***

***No previous relevant decisions***

**CONSIDERATION BY OVERVIEW AND SCRUTINY**

***Not considered by Overview and Scrutiny***

**BACKGROUND PAPERS**

***Department for Transport's Blue Badge Improvement Service - Newsletters***

**RESPONSIBLE CABINET MEMBER**

***James Airey***

**REPORT AUTHOR**

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## APPENDIX 1

Consultation was undertaken within Cumbria regarding the proposed fee increase, outlining the rationale for the changes.

The consultation ran from 17 October 2011 to 16 December 2011, and was distributed via a number of routes:

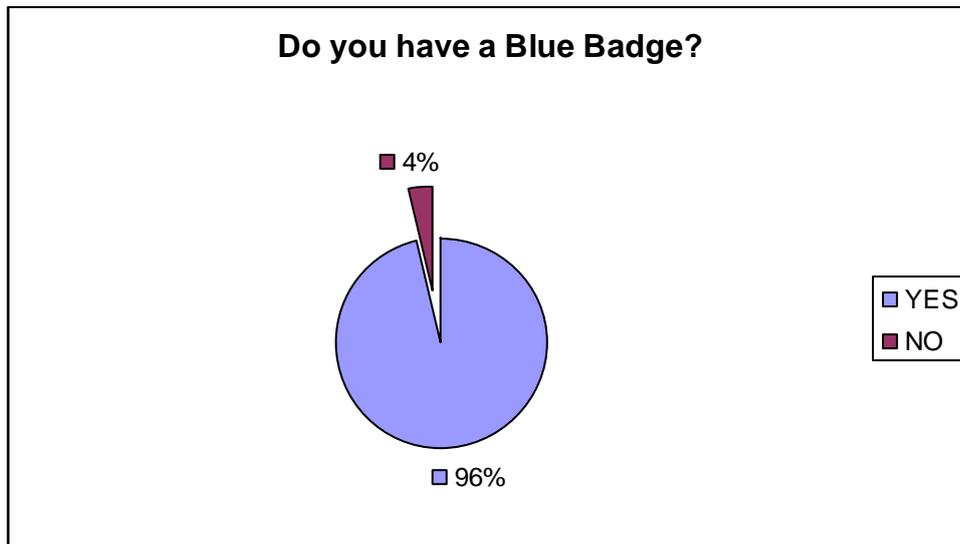
- Online at [www.cumbria.gov.uk](http://www.cumbria.gov.uk)
- Direct mail to approximately 2,400 existing badge holders
- Direct mail to approximately 500 new badge holders
- Disability organisations via Cumbria CVS.

A total of **1216** responses were received.

### 1. Do you currently have a Blue Badge?

The vast majority of respondents were in receipt of a Blue Badge.

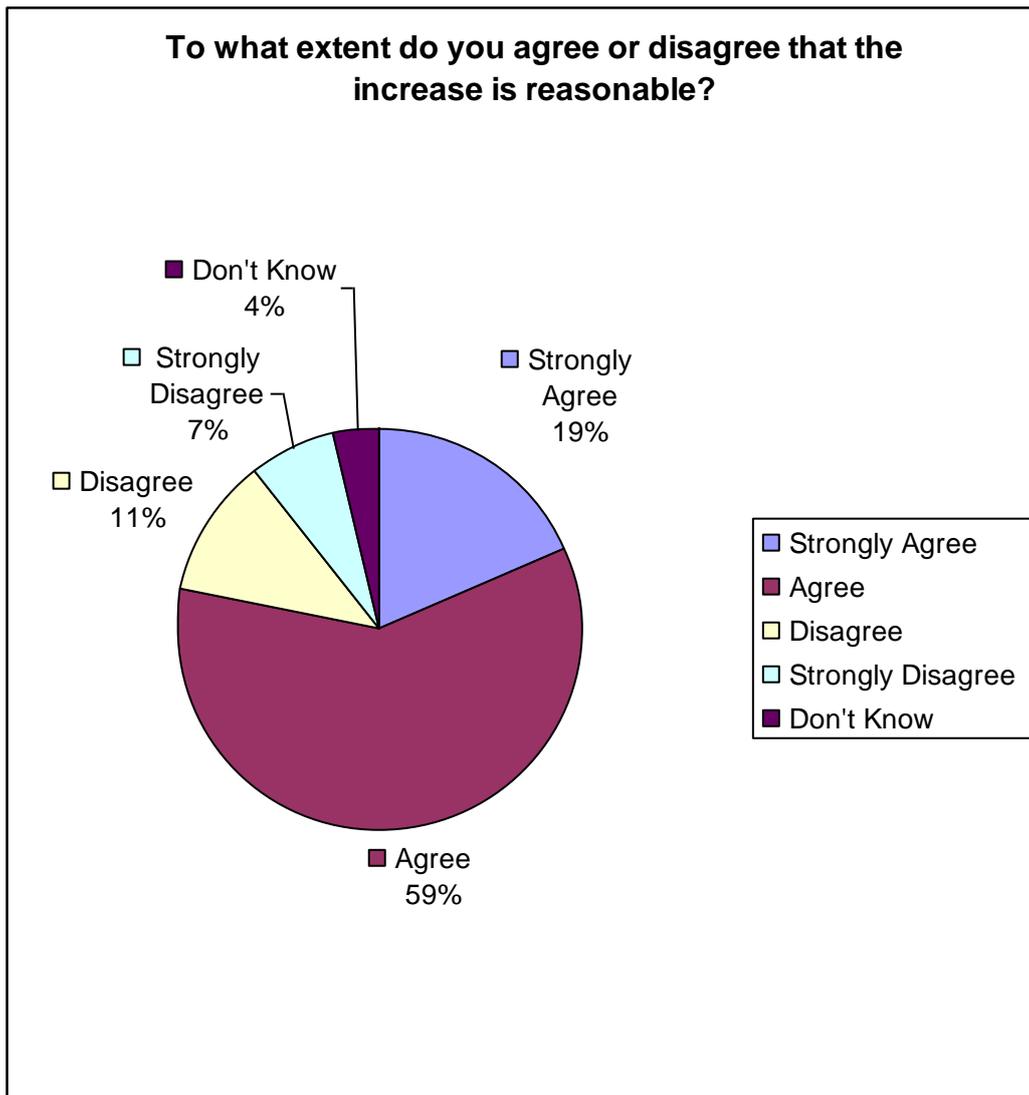
YES	NO	DON'T KNOW
96%	4%	0



## 2. To what extent do you agree or disagree that the increase is reasonable?

The vast majority Agreed or Strongly Agreed that the price increase was a reasonable cost.

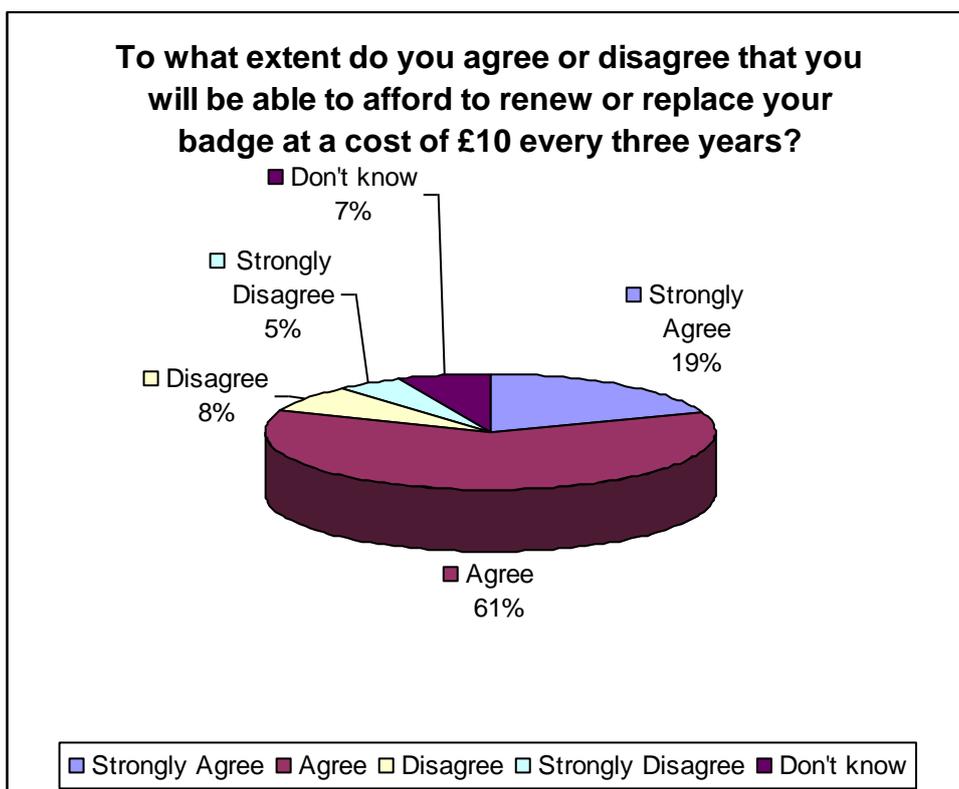
<b>STRONGLY AGREE</b>	<b>AGREE</b>	<b>DISAGREE</b>	<b>STRONGLY DISAGREE</b>	<b>DON'T KNOW</b>
19%	59%	11%	7%	4%



**3. To what extent do you agree or disagree that you will be able to afford to renew or replace your badge at a cost of £10 every three years?**

Again, the vast majority of respondents indicated that they would be able to afford the price increase. As such, there is no demonstrable evidence to suggest that the fee increase will preclude the Blue Badge service to customers.

<b>STRONGLY AGREE</b>	<b>AGREE</b>	<b>DISAGREE</b>	<b>STRONGLY DISAGREE</b>	<b>DON'T KNOW</b>
19%	61%	8%	5%	7%



**4. Do you have any other comments about these proposed changes and how they will affect you?**

The consultation results provided overwhelming support of increasing the Blue Badge fee to £10 – the first price increase in over 30 years. The evidence suggests that the increase in fee is being viewed positively if it tackles misuse and abuse of the scheme and subsequently the availability of disabled parking bays. The proposed fee was still viewed to represent good value for money and a fair charge in terms of the parking concessions offered over a three year period.

The new badge design and production will make the badge more difficult to copy, alter and forge, thereby reducing one element of the misuse.

It is proposed that a 'Respect the Badge' campaign be launched in 2012 to raise awareness of the rights and responsibilities of the scheme, and the possible penalties including prosecution of misusing a badge (for example, use by the non-badge holder).

Some comments received in support of the fee increase:

- Charge amounts to 6p per week – more than good value
- Works out about 1p per day – no complaints
- I couldn't go anywhere without my Blue Badge
- What else can you get for £10, that last three years?
- May stop improper use by non badge holders
- Fair as long as its used for Fraud and Detection
- Willing and able to pay – hugely dependent on by Blue Badge
- Would suggest more fines and checks for Blue Badge misuse
- I agree to the increase if it stops fraudulent misuse of badges
- Costs of administration must be more than £10 every three years
- Blue Badge Scheme is an essential facility - £10 well worth it
- It would be reasonable if it was £10 per year
- Present charge of £2 for three years is a joke
- The benefits far outweigh the costs.
- The Blue Badge is a godsend at whatever cost to the individual.
- It is a wonderful system, which I very much appreciate. It is a small amount to pay.

Those respondents that were not in support of the changes indicated the following reasons:

- Pension isn't going up
- Shouldn't have to pay at all
- Suggested £6 would cover costs in these difficult times
- Present cost £2 plus £5 photo cost is already enough to pay
- £10 is expensive for a senior citizen

In summary, the benefits of the scheme far outweigh the proposed price increase and those currently in receipt of a Blue Badge greatly value the scheme and feel the £10 fee is fair and reasonable.