

**Joint Report of the Assistant Chief Executive (Customer Access and Performance) and the Director of Adult Social Care**

**Report to Executive Board**

**Date: 2<sup>nd</sup> November 2011**

**Subject: The Government's Blue Badge reform programme – introduction of an administration charge for the issue of a blue badge**

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| Are specific electoral Wards affected?<br>If relevant, name(s) of Ward(s):   | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Are there implications for equality and diversity and cohesion and integration?  | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| Is the decision eligible for Call-In?  | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| Does the report contain confidential or exempt information?<br>If relevant, Access to Information Procedure Rule number:<br>Appendix number: | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |

**Summary of main issues**

1. This report summarises for Members the main changes brought about by the Government's national reform programme to the Blue Badge Disabled Parking Permit Scheme, in particular that from 1<sup>st</sup> January 2012 the Council is no longer able to produce a Blue Badge permit. Whilst the Council will still retain responsibility for the assessment of applications and local administration of the scheme, from that date the Council will be required to use a new national service for badge production and despatch.
2. The new arrangements will result in additional administrative costs to the Council including a charge from the new supplier of £4.60 for each permit issued increasing the overall cost to the Council of issuing each badge to an estimated £14.54. Given the additional costs resulting from the new arrangements, the Government intends to increase through legislation, the maximum charge for the issue of a permit from £2 to £10.
3. Leeds City Council does not currently charge for the issue of a Blue Badge permit. This report recommends that the Council introduces a charge of £10 from 1<sup>st</sup> January 2012, to recoup the additional costs which will be incurred, with some concessions for specific applicants.

**Recommendations**

Members are requested to:

- a) note the changes to the National Blue Badge Disabled Parking Permits Scheme.

- b) to approve the introduction of an administration charge of £10 from 1<sup>st</sup> January 2012 as a result of the additional costs being incurred by the Council, with a £5 concessionary charge for lost/stolen badges, and no charge for children up to the age of 16, terminally ill people, war pensioners or armed forces personnel.

## **1 Purpose of this report**

- 1.1 To inform Members of the main changes brought about by the Government's national reform programme to the Blue Badge disabled parking scheme.
- 1.2 To inform Members of the forthcoming changes to legislation regarding the issuing of Blue Badge Disabled Parking Permits.
- 1.3 To recommend the introduction of an administration charge of £10 from 1<sup>st</sup> January 2012 as a result of the additional costs being incurred by the Council, with a £5 concessionary charge for lost/stolen badges, and no charge for children up to the age of 16, terminally ill people, war pensioners or armed forces personnel.

## **2 Background information**

- 2.1 The Chronically Sick & Disabled Persons Act 1970 paved the way for the introduction of the first Blue Badge Parking Scheme the following year. The scheme allowed for the provision of parking for severely disabled people without charge or time limit in an on-street parking environment, and for up to three hours on yellow lines. This was extended to include blind people in 1975, at the same time as the first legislative provision was given to allow an administrative fee of up to £1 to be charged for the production of a badge. This fee was increased to a maximum of £2 in 1983, but since then there has been very little change to the scheme.
- 2.2 Local Authorities were charged with the full administration of this service for their geographical region. This included manufacture of an awarded permit, decisions around how to administer the decision making process for permits awarded under discretionary criteria, in addition to the local enforcement of any permits used in the area regardless of where they were produced, as permits are valid in the entire European Union area.
- 2.3 The Department for Transport undertook a review in 2007, which highlighted a need for improvement: in the administration of the system; in the eligibility criteria; and' to look at ways in which to address the reported misuse of Blue Badge permits. This review led to the publication of a strategy in October 2008 that included a suite of reforms to address these areas of concern.
- 2.4 The Government reforms aim to improve fair access for disabled people, by reducing abuse of the scheme and in turn easing the pressure on available parking spaces. The Governments reform project is intended to deliver a number changes to assist this aim most notably the introduction of new application criteria; the replacement of GP reports with the introduction of an independent mobility assessment; and a new permit design to tackle fraud and forgery concerns. This new permit is to be produced by a national provider, which, from 1<sup>st</sup> January 2012, will be the only way for a Local Authority to provide its eligible customers with a Blue Badge permit.

- 2.5 Local Authorities will be charged £4.60 for each permit issued which includes second class postal delivery. This cost is fixed for a period of 5 years. The Government have indicated that legislation will be put before Parliament in October 2011 to increase the maximum amount that can be charged for a Blue Badge permit to £10.
- 2.6 In the main, blue badge permits are issued for a period of 3 years. The current cost of producing a badge including administration is £8.08.

### **3 Main issues**

- 3.1 Norman Baker; Parliamentary Under-Secretary of State for Transport, has recently written to Local Authority Chief Executives outlining the changes in the reform project (See appendix 1). A key objective of the reforms is to reduce fraud and abuse of the blue badge system which will in turn have a positive impact on disabled permit holders in terms of availability of existing parking spaces.
- 3.2 The Council has no option but to follow the reform programme, as there will be no provision to produce a legal Blue Badge permit locally from 1<sup>st</sup> January 2012.
- 3.3 Under the reforms, the Council maintains the duty to provide Blue Badge permits to eligible residents within the City boundaries. Whilst the exact operational arrangements are still to be finalised, it is apparent that even though the Council will be able to make some savings (e.g. stationary & postage) the net impact will be to increase the overall costs in relation to administration, processing and assessment. This is because the new arrangements will bring new tasks such as the digital uploading of photographs, changes to current processes and a new charge of £4.60 from an external supplier for each badge produced. It is calculated that this will see the total cost of badge production increasing from £8.08 to £14.54.
- 3.4 It is recognised by the Department for Transport that the reforms will cost Local Authorities more to administer, and are therefore proposing to amend the current legislation to give provision of a maximum charge of £10, increased from the current maximum of £2. No charge can be made to an unsuccessful applicant.
- 3.5 Subject to Executive Board approval, charges are applicable to both new and renewing applicants in relation to permits due to be issued as from 1<sup>st</sup> January 2012. As the Blue Badge Team works several weeks in advance to ensure renewing applicants are covered from the expiration of their current badge, there is a need to approve the introduction of a charge in advance of the 1<sup>st</sup> January date, and to make people aware of this charge. The evidence available at the time of writing this report indicates that most Councils are likely to introduce a charge of £10.
- 3.6 The information available suggests that most Councils are intending to either introduce a charge of £10, or increase their current charge to £10 in the light of the anticipated change in legislation. For example, a survey of Local Authorities in England undertaken by South Gloucestershire County Council indicates that of 35 responding Councils, 34 are proposing to implement a charge of £10, with one Council considering an £8 charge, (this includes 12 Councils who do not currently charge for a permit).
- 3.7 Blue Badge permit holders are entitled to a number of benefits – they are able to park at “on street” metered bays, without time limit and free of charge; to park on yellow lines for up to three hours and to pick up and drop off passengers in a range

of locations prohibited to other drivers, in addition to being able to park free of charge in many car parks.

- 3.8 Whilst the actual financial benefit to a disabled person will depend on frequency of usage, the parking cost avoided can be quite significant particularly in relation to city centre parking. For example, parking in the city centre for 3 hours once a week using a permit could save £260 per annum (£780 for the three year period). A permit holder working full time could save £2,115 annually on the cost of parking centrally (£6,345 for the three year period).
- 3.9 As indicated above, many of the details of the new arrangements are still to be finalised, indeed at the time of writing this report, the new national system had not been made available to Councils. In addition there is no publicised back up plan should the national badge production system not be fully operational in the required timescale. The Council has written to the Minister concerned to make him aware of our concerns in relation to these matters and thus the potential detrimental impact on disabled people requiring a new blue badge after the 1 January 2012.

## **4 Corporate Considerations**

### **4.1 Consultation and Engagement**

- 4.1.1 In addition to consultation undertaken by the Department for Transport nationally, Leeds has consulted on the full range of reforms locally. This has included consultation with approximately 70 disabled people and their carers; a focus group facilitated by an independent disabled organisation and a postal survey of 2000 current permit holders.
- 4.1.2 Whilst this consultation exercise has not fully concluded, it has enabled the gathering of information from a wide range of people in respect of the reforms. One clear message is that many respondents place a very high importance on the value of their permit, and the flexibility this provides for them.

### **4.2 Equality and Diversity/Cohesion and Integration**

- 4.2.1 A full Equality, Diversity, Cohesion and Integrations Impact Assessment has been completed in relation to the proposed introduction of an administrative charge for a Blue Badge permit.
- 4.2.2 The assessment identifies that whilst many people would prefer not to have to pay an administration charge, the introduction of such a charge would not impact on people's ability to access the scheme.
- 4.2.3 Consideration should be given to offering concessions (either a reduced charge or no charge at all) to the following groups:
- No charge for terminally ill people (c.500 per year)
  - No charge for children up to the age of 16 (c.300 per year)
  - No charge for war pensioners and armed forces personnel (c.100 per year)

- £5 charge for people replacing lost or stolen badges (c. 200 per year)

### **4.3 Council Policies and City Priorities**

- 4.3.1 City Priority Plan 2011-2015 – Best City for Health and Wellbeing: *Increase the proportion of people with long term conditions feeling supported to be independent and manage their condition.* The reforms in total aim to improve the fairness of the Blue Badge Parking Permit Scheme, and to reduce the incidence of fraudulent use and application. This should increase the availability of disabled parking bays to be used by those with a genuine need.
- 4.3.2 Council Business Plan 2011-2015 – *Increase the range of self service options available to the public, by ensuring all high demand transactions can be undertaken online.* The reforms include a national online application form accessed via the directgov website.

### **4.4 Resources and Value for Money**

- 4.4.1 The new arrangements mean that from 1<sup>st</sup> January 2012 the Council will have to pay £4.60 for each permit issued in addition to incurring other additional costs resulting from new tasks and changed processes. With this in mind it is recommended therefore to approve the introduction of an administration charge of £10, with a £5 concessionary charge for lost/stolen badges, and no charge for children up to the age of 16, terminally ill people, war pensioners or armed forces personnel.
- 4.4.2 In the first year of the new arrangements it is estimated that Leeds City Council will issue in the region of 14,000 permits, resulting in a badge production charge from the national provider to the Council of £69,000.

### **4.5 Legal Implications, Access to Information and Call In**

- 4.5.1 As these proposals relate to the introduction of a new charge, it is appropriate that this decision is made by the Executive Board.
- 4.5.2 From 1<sup>st</sup> January 2012, Leeds City Council will no longer be able to legally produce a Blue Badge permit, but maintains the responsibility for ensuring eligible residents within its geographical region are provided with a permit. In order to fulfil the obligation to provide permits, a new charge of £4.60 per badge will be passed on to the Council by the national provider for badges issued from 1<sup>st</sup> January 2012.

### **4.6 Risk Management**

- 4.6.1 Whilst no risk management issues have been identified in relation to the introduction of the administrative charge itself, there are currently no national business continuity arrangements in place should the new service not be fully operational on 1<sup>st</sup> January 2012. As stated earlier the Council has written to the Minister to express concern over this point.

## **5 Conclusions**

- 5.1 This report has summarised the Government reforms which, from 1<sup>st</sup> January 2012, Leeds City Council must comply with in order to continue providing Blue Badge permits to customers. The report identifies additional costs to the Council resulting from the new arrangements and recommends the introduction of an administration charge of £10 for most applicants from 1<sup>st</sup> January 2012, in recognition of this.

## **6 Recommendations**

- 6.1 Members are requested to note the changes to the Blue Badge Disabled Parking Permits Scheme.
- 6.2 Members are requested to approve the introduction of an administration charge of £10 from 1<sup>st</sup> January 2012 as a result of the additional costs being incurred by the Council, with a £5 concessionary charge for lost/stolen badges, and no charge for children up to the age of 16, terminally ill people, war pensioners or armed forces personnel.

## **7 Background documents**

Blue Badge reform – summary of Government reforms

<http://www.dft.gov.uk/publications/blue-badge-reform-summary-govt-reforms>

Blue Badge reforms – frequently asked questions <http://www.dft.gov.uk/publications/blue-badge-reform-faqs>

Blue Badge reform impact assessment

<http://www.dft.gov.uk/publications/blue-badge-reform-impact-assessment>

Blue Badge reform equalities impact assessment <http://www.dft.gov.uk/publications/blue-badge-reform-impact-assessment>

Equality, Diversity, Cohesion and Integrations Impact Assessment