

## MUNICIPAL YEAR 2011/2012 REPORT NO. 161

### MEETING TITLE AND DATE:

Cabinet – 14 December  
2011

### REPORT OF:

Director of Finance,  
Resources & Customer  
Services

Agenda – Part: 1

Item: 11

**Subject: Blue Badge Reform - Blue Badge  
Charge Increase (Blue Badge  
Improvement Service)**

**Wards: All**

**Cabinet Member consulted:**  
Councillor Chris Bond

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### 1. EXECUTIVE SUMMARY

Central Government changes to the Disabled Blue Badge issuing procedures, which Issuing Authorities are obliged to engage with, include an optional facility to charge a higher fee for issue of Blue Badges to successful applicants. This report recommends Enfield's fee be increased to an appropriate level, in order to recover the cost of providing the service.

The above measure will be implemented to enable local authorities to cover administration costs more appropriately, and enable the delivery of the new badge design.

### 2. RECOMMENDATIONS

2.1 This report seeks approval to increase the charge of Blue Badge to £10, in order to recover the cost of administering the service.

2.2 Note to enter into an access agreement with Northgate Information Solutions Limited for the provision of blue badges, as stipulated by the Department for Transport.

### **3. BACKGROUND**

3.1 In 2010 the Government consulted with interested parties over how the Disabled Blue Badge scheme is implemented, managed and enforced with a view to considering changes to these procedures in line with feedback from the consultation. The objectives of the consultation were to deal with and reduce the current problems, for example, operational and service delivery issues, misuse of badges and variations in quality and consistency of issuing procedures. It also sought to ensure the scheme is able to deal with future pressures and demands. The groups that were consulted included Issuing Authorities, disabled groups and charities. The resulting programme of reform is called the 'Blue Badge Improvement Service' (BBIS)

3.2 The reform includes measures to support use of independent mobility assessors, extend eligibility to specific categories of disabled people, establish a common service delivery project, implement a new badge design and amend legislation to improve enforcement. The maximum fee that local authorities can charge for a badge will be raised from £2 to £10 to cover costs more appropriately. The Department for Transport (DfT) will amend secondary legislation later in 2011 to permit local authorities to charge up to £10 per badge. Legislation will also be enacted to prescribe the design of blue badges, which will only be issued by the DfT's contractor. The DfT has stated that this legislation will come into force on 1 January 2012.

3.3 The BBIS will directly affect how Enfield Council is able to administer the scheme. The objectives of the reform programme are to address current problems, especially those relating to fraud and abuse. The BBIS aims to improve operational efficiency, reduce public sector costs and improve customer service. The programme supports freedom and fairness and is targeted at addressing the mobility needs of those disabled people who need the most help to travel. There are currently 2.5 million badges on issue in England. The number has trebled in the last 20 years and demand is forecast to increase further as the population ages.

3.4 As part of the BBIS, from 1<sup>st</sup> January 2012 badges will be produced centrally by an approved contractor - Northgate Information Solutions (NIS), working in partnership with Payne Security Systems, who will be administering and printing the badges. NIS were procured by the DfT via a mini-competition from an OGC framework agreement. NIS already hold many contracts with Central Government, and partners over 95% of UK Local Authorities, all UK police forces and over half of the UK's ambulance and fire services. Although Enfield Council will have overall responsibility for dealing with clients' applications and making the decision over eligibility for badges, they will be printed centrally by NIS/Payne. For this service there will be a charge per badge (£4.60) which will need to be met by Enfield Council. The new policies are due to be reviewed by the Government in 2015

#### **4. ALTERNATIVE OPTIONS CONSIDERED**

The council could leave the charge as it is (£2), but this option is not feasible as it does not cover the costs of the production of the badge, which will be produced externally.

#### **5. REASONS FOR RECOMMENDATIONS**

From the 1<sup>st</sup> January 2012, the only option available to the council to get Blue Badges produced/issued is to use the Blue Badge Improvement Service at a minimum cost of £4.60 per badge.

#### **6. COMMENTS OF THE DIRECTOR OF FINANCE, RESOURCES AND CUSTOMER SERVICES AND OTHER DEPARTMENTS**

##### **6.1 Financial Implications**

On average 3,500 badges are issued each year. Currently clients pay a standard charge of £2 for their blue badge, generating annual income of £7,000.

Increasing the Blue Badge charge to £10 will generate an annual income of £35,000, based on 3,500 badges issued, which is the average annually. Of this a minimum of £16,100 would be paid to BBIS for the production of badges.

If the blue badge charge remains at £2, the council would have to pay an additional £2.60 per badge without any increase in income. On 3,500 badges this would be an additional £9,100 to be found each year.

##### **6.2 Legal Implications**

6.2.1 The use of frameworks is permitted under the Council's Contract Procedure Rules. The Council must ensure that it complies with the terms and conditions of the framework when using the services.

6.2.2 Section 21 of the Chronically Sick and Disabled Persons Act 1970 empowers the Council to issue badges for display on motor vehicles used by disabled persons. The Council can enter into the access agreement with NIS by virtue of section 1 of the Local Government (Contracts) Act 1997.

6.2.3 The necessary legislative changes have not yet been brought into force, but the DfT have confirmed that they will come into force on 1 January 2012.

### **6.3 Property Implications**

Not applicable.

## **7. KEY RISKS**

Local Authorities are obliged to engage with the new process for badge production. Should the charge not be increased there will be a risk of a budget pressure.

Poor communication and key messages, leading to lack of awareness of the changes to the scheme.

## **8. IMPACT ON COUNCIL PRIORITIES**

### **8.1 Fairness for All**

The changes will affect all Blue Badge holders and the proposed charge will be the same for all applicants, therefore no group will be disadvantaged. The charge means that only those who need a badge would share the costs of administration of the scheme and badge production. It is seen that the charge increase is fair for all, and will be for a badge that gives concessions for three years.

### **8.2 Growth and Sustainability**

The fraud features put in place on the new badge design will make it virtually impossible for them to be copied or reproduced. This will reduce the amount of fraudulent badges in circulation, with the potential of increasing parking revenue from those who may previously been in possession of fraudulent badges. Along with that the increase in charge may act as a deterrent to those who may have previously seen a Blue Badge as a way to obtain `free` parking.

### **8.3 Strong Communities**

Blue Badges plays a vital role in helping older and disabled people to maintain independence and an active role in the local community.

## **9. PERFORMANCE MANAGEMENT IMPLICATIONS**

The production of badges centrally will increase the lead time applicants will have to wait for their badge. Currently once an application has been approved, Enfield Council can produce a badge within 2 to 7 days, depending on how long it takes an applicant to provide us with the charge and photographs. This will increase to 10 days and performance of this will be monitored locally and through BBIS.

## **10. HEALTH AND SAFETY IMPLICATIONS**

Not applicable.

**Background Papers**

- Blue Badge Reform and Implementation Plan
- Blue Badge Reform Summary