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Local Authority Leaders

Copied to: Local Authority Chief Executives

14 February 2011

Dear Local Authority Leader,

The Government's Blue Badge Reform Programme

You may have seen on 14 February that the Government has announced wide-ranging reforms to the Blue Badge scheme. I am writing to you to let you know the details of the reforms, likely implementation dates and actions that you or your colleagues may need to take. Please share this information with all colleagues involved in the administration or enforcement of the scheme.

The aims of the reform programme are to help local authorities and badge holders deal with and reduce the current challenges, and to ensure the scheme is able to deal with future pressures and demands. We estimate, for example, that demand for badges may grow by 27% over the next 10 years as a result of the ageing population.

The programme consists of a number of complementary projects that, when implemented together, should help you to improve operational efficiency, reduce costs and improve customer services. They will also prevent abuse of the scheme and ensure that the concession is targeted fairly and sustainably.

I encourage you to become fully aware of the changes that are being made and to adopt them as far as you are able. Adoption of many of the measures we propose will be voluntary rather than mandatory, in line with the Government's localism agenda. However, the maximum benefits for all those involved in the scheme will only be gained if everyone engages with the reform programme and fully

implements the changes. I should therefore appreciate your support in delivering a more effective and much improved scheme.

A summary of the changes is detailed below. If you would like to discuss any of these reforms, please contact bbes@df.t.gsi.gov.uk. Further information is also available on the DfT's website at <http://www.dft.gov.uk/transportforyou/access/bluebadge/>.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Norman Baker', written in a cursive style.

NORMAN BAKER

Summary of the Government's reforms to the Blue Badge scheme¹

Ensuring fair allocation of badges

1. The following measures will be implemented to help ensure that badges are issued fairly against a background of rising demand:

Reform measure	Earliest delivery	Notes
Transfer control to local authorities of current NHS spend on Blue Badge eligibility assessments	April 2011	Announced on 13 December
Publication of non statutory guidance on administration, eligibility assessments (and enforcement), informed by an independent review of current practices and input from mobility experts	May/June 2011	Subject to completion of research
New legislation to require the wider use of independent mobility assessments to determine eligibility, including where previously that assessment was carried out by a GP	2012	Subject to secondary legislation

2. Local authorities are responsible for ensuring that badges are only issued to applicants who meet one of the eligibility criteria that are set out in legislation. Disabled people rightly expect badges to be issued on a fair and consistent basis. Issuing badges to people who are not genuinely eligible has a cost not only to public finances but also to genuine badge holders whose accessibility will be reduced.
3. To encourage more authorities to adopt robust practices, and to help ensure a fairer allocation of badges, we have agreed with the Department for Health that control of the existing budget for eligibility assessments be transferred to badge issuing local authorities to support use of independent mobility assessments when an applicant's eligibility is in doubt. The transfer will be part of the new Department for Health Learning Disability and Health Reform Grant, and will be equal to the current NHS spend on badge eligibility assessments. (This includes the costs of all reports and assessments, whether performed by GPs or other PCT employees, along with any direct and associated costs and along with any payments made directly to local authorities for the purpose of badge eligibility assessments). Details of the grant can be found in the DH letter issued to local authority social services departments on 13 December 2010, which can be viewed at: http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_122961.pdf. The DfT intends to publish updated non statutory guidance to help support the implementation of this policy. This web-based guidance will be updated as the different elements of the reform programme are implemented. Any policy queries related to the transfer of funding control can be sent to DfT at bbes@dft.gsi.gov.uk. However any questions specifically about the grant, its distribution or allocation should be directed to the Department of Health (Damon.Palmer@dh.gsi.gov.uk).
4. Although considered to be good practice, the use of independent mobility assessments is not currently required by legislation. Local authorities should be aware, however, that PCTs will not provide funding for eligibility assessments once the transfer happens, so any use of

¹ Delivery of many of the measures are subject to primary or secondary legislation and may change as a result of factors such as the availability of Parliamentary time.

GPs after that point would need to be funded by the local authority. The DfT plans to amend regulations in 2012 to require an applicant's eligibility to be confirmed through wider use of independent mobility assessments, including where previously an assessment was carried out by a GP. The DfT will provide local authorities with further guidance on this change before it comes into force.

5. The Government recognises that there are some disabled people who are currently ineligible who would like access to the preferential parking provided by the Blue Badge scheme. However, we need to balance the benefit gained by potential new badge holders with the impact on existing holders and the cost to local authorities of extending the scheme further. Our main concern must be to ensure that the scheme remains sustainable in the long term for those disabled people who most rely on it in order to participate in society. To address this concern, the following measures will be implemented:

Reform measure	Earliest delivery	Notes
Extend eligibility to more disabled children under the age of 3 with specific medical conditions	May 2011	Subject to secondary legislation
Provide continuous automatic entitlement to severely disabled service personnel and veterans	May 2011	Subject to secondary legislation
Amend residency requirements for disabled Armed Forces personnel and their families posted overseas on UK bases	2013/14	Subject to primary legislation
Further research to inform a decision on whether or not eligibility should be extended to people with a severe temporary disability lasting at least one year	Decision to be taken later in 2011	

6. These changes are mainly about fairness. The first extends to children between the ages of 2 and 3 the provision that currently exists for children under the age of 2 who need to be accompanied by medical equipment which cannot easily be transported, or who are affected by unstable medical conditions and may require emergency treatment. Once these children reach the age of 3, they should then be able to apply under the other existing eligibility criteria. Based on current issue rates, we estimate that this extension will result in only 100-200 new applicants per year.
7. It may be necessary to make transitional arrangements for children under the age of 2 who have been issued with a Blue Badge before the new Regulations enter into force. This also applies to children between the ages of 2 and 3 who held a badge that has already expired. Provided that they continue to meet the eligibility criteria on account of their condition, they will become eligible for a Blue Badge until their third birthday under the new Regulations.
8. We do not think this can be addressed by legislation, because Blue Badges must be issued with an expiry date. Instead it will be necessary for the local authority to re-issue a Blue Badge on application to an eligible child to cover the period between the new Regulations entering into force and their third birthday. This may in some cases lead to badges being issued for very short periods of time. It will be for local authorities to decide whether or not to make a charge for the issue of this badge, in line with the regulations that govern the

scheme. The Department will issue guidance to local authorities on this change before it enters into force.

9. The second measure will ensure that severely disabled service personnel and veterans who are compensated under the new Armed Forces Compensation Scheme (AFCS) and meet certain qualifying criteria receive the same continuous automatic entitlement to a badge as those veterans who were compensated under the War Pensioner's Mobility Supplement. We have therefore agreed with the Ministry of Defence (MoD) that eligibility should be automatically extended to service personnel and veterans who have been both:

- awarded a lump sum at AFCS tariffs 1-8; and
- assessed by the Service Personnel and Veterans Agency (SPVA) as having a permanent and substantial disability that causes inability to walk or very considerable difficulty in walking.

Based on figures supplied by the MoD, we estimate that there would be fewer than 50 badge applicants per year under AFCS tariffs 1-8.

10. The SPVA will issue an applicant who meets these conditions with a letter confirming both their level of award under the AFCS and that they have been assessed as having a substantial and permanent disability that causes inability to walk or very considerable difficulty in walking. The applicant will then need to present that letter to their local authority when applying for a Blue Badge. Local authorities will need to verify this letter with the SPVA on receipt. The Department will issue guidance to local authorities on this change prior to its entry into force.

11. The third measure will address the problem that, in some circumstances, disabled Armed Forces personnel and their families who have been posted overseas on UK bases are unable to prove residency within an issuing local authority in England and are therefore unable to apply for a Blue Badge. The DfT therefore proposes to amend primary legislation to remove the residency requirement for this specific group of people. Early estimates suggest that this change will affect a small number of people. We aim to make this change in 2013/14, but this is subject to the availability of Parliamentary time.

12. In addition to the above changes, we are undertaking further research to inform a decision on whether or not to extend eligibility to people with a severe temporary mobility impairment that lasts at least one year. A decision on this will be taken later in 2011.

13. The DfT has no plans to extend eligibility further than outlined above. However, we have been made aware that some local authorities appear to be issuing badges to people who do not meet the eligibility criteria, e.g. on the sole basis of age, for people with temporary disabilities (who do not receive the Higher Rate Mobility Component of Disability Living Allowance or War Pensioner's Mobility Supplement), to visitors to the UK or for disabilities and conditions that are not covered in the legislation. Local authorities should remember that they only have legal power to issue Blue Badges to disabled people who meet the specific descriptions prescribed in legislation and **must** continue to adhere to the current statutory criteria until eligibility extensions come into force.

All staff involved in advising applicants or determining eligibility should ensure that they have up to date information on the eligibility criteria. Local authorities should also strive to provide their residents with up to date Blue Badge information on their websites to reflect changes as and when they come into force. We have noticed, for example, that many local authority sites have not been updated in line with changes made in 2007.

Delivering efficiency savings and improving customer services

14. The following measures will be implemented to help local authorities improve service delivery and achieve efficiency savings, and to improve customer services for badge holders:

Reform measure	Earliest delivery	Notes
Establish with local authorities a common service improvement project (BBIS) that will deliver operational efficiency savings. This project will be self-funding and should deliver efficiency savings of between £6.5 and £20 million per year.	System go live end 2011	Subject to contract arrangements
This project will improve customer services and establish an on-line application facility. It should result in faster, more automatic renewals for people whose circumstances do not change between renewal periods	Early 2012	Subject to contract arrangements

15. The common service improvement project has been entitled the “Blue Badge Improvement Service (BBIS)” and it is aimed at improving both the administrative and enforcement elements of the scheme. The DfT has been working closely with a number of local authorities to develop the requirements for a system that will:

- provide a way of securely printing, personalising, supplying and distributing badges;
- be able to store key information on badges and badge holders issued anywhere in England, and enable verification checks to be made quickly and easily by local authority authorised personnel (we also hope that the system will include badges issued in Wales and in Scotland);
- provide a web-based management information system for local authorities (for those who do not have this already);
- provide an on-line application facility for badge holders via directgov; and
- potentially, offer a range of ‘opt-in’ additional services, ranging from providing call centre functions to sending out application forms for those local authorities who would like to adopt these services.

16. The DfT has explored a number of delivery options for the BBIS, and a ‘transactional self-funding’ model has been identified as the most appropriate solution. This means that a private sector company will invest the initial capital to develop the Service in return for a cost per badge issued. Issuing local authorities will pay only for the number of badges issued, and enforcing local authorities will be able to query the data held on the system for free. The DfT will let a framework contract for the Service for an initial period of five-years. Each issuing local authority will need to sign up for the service via standard access agreements with the supplier. The price per badge will be fixed so that all local authorities will pay the same cost per badge regardless of size or geographical location. Service levels will also be fixed so that local authorities and badge holders will receive the same service standards. In establishing this contract, it is important to note that the DfT is acting as a facilitator. Local authorities will continue to assess applications from local residents and make decisions on applying the eligibility criteria, including those received via the on-line system. Local authorities will also manage the day-to-day operations in liaison with the supplier, including via a network of local authority system administrators. BBIS will be accessed via

Government Connect and will be a secure system that will be compliant with the Data Protection Act and other HMG security standards.

17. The benefits offered by BBIS could be substantial if you all take this opportunity to join forces and share economies of scale. As well as the efficiency savings that we have identified, using this system will avoid the need for your own investment in systems to manage the Blue Badge scheme more effectively. And it will also help to prevent and reduce abuse of the scheme (see below).

18. The DfT will begin procurement of BBIS in February 2011 and it is anticipated that the system will go live at the end of 2011. Please see below for more information on what this means for the supply of the badge itself.

19. The DfT and the supplier would like to work closely with local authorities during the development and implementation stages to ensure that BBIS meets local authority business requirements. Anyone wishing to be involved in taking the project forward and who would like to become members of a local authority user group should email the team at blue.badge@dft.gsi.gov.uk. Further detailed information will be sent to local authorities in April 2011 or once the supplier has been engaged.

Improved and effective prevention of abuse and enforcement

20. The following measures will be implemented to help prevent abuse from happening in the first place and to deal with rising levels of fraud and abuse:

Reform measure	Earliest delivery	Notes
Introduce a new badge design that is harder to copy, forge and alter. Implement via the common service improvement project (BBIS) new arrangements for printing and distribution to prevent fraud and to effectively monitor cancelled, lost and stolen badges	End 2011	Subject to contract and secondary legislation
The common service improvement project (BBIS) will enable more effective detection of abuse by local authorities. Officers will be able to check details of new badges issued anywhere in England.	Early 2012	Subject to contract arrangements
Introduce new or amended powers for local authorities to tackle abuse and fraud. In particular to: <ul style="list-style-type: none"> • extend the grounds available to local authorities to refuse to issue and to withdraw badges • provide local authorities with a power to cancel badges that have been lost, stolen, have expired, or have been withdrawn for mis-use • provide local authority authorised officers with a power to recover, on-the-spot, badges that have been cancelled or misused • amend existing legislation to clarify wrongful use of a badge and the powers to inspect badges 	End 2011 2013/14 2013/14 2013/14	Subject to secondary legislation Subject to primary legislation

21. The current design of the Blue Badge is set out in regulations and it is very easy to copy and to forge. The DfT currently has a contract with The Stationery Office to supply blank Blue Badges to local authorities. **This contract comes to an end towards the end of 2011** and so you will not be able to receive the current design of blank badges from TSO after this date. In thinking about a replacement contract, the DfT has been looking at ways of improving the resilience and security of the badge, and to improve security in the distribution, storage and supply of badges to prevent abuse from happening in the first place. The DfT will therefore introduce secondary legislation later in 2011 that will implement a new-style badge from, we estimate, the end of 2011. The badge will be made of PVC and will include a number of overt and covert security features. These features will help to prevent the badge being fraudulently copied and scanned.
22. The DfT also intends to contract a single supplier who will supply, personalise, print and distribute the badge (see BBIS above). This will therefore mean that local authorities will no longer have to make up badges themselves or keep a stock of blank badges. Instead, key information on badge holders can be sent to the supplier (a variety of routes will be made available) and badges ordered from BBIS. As well as improving security, this change should also significantly reduce production costs through economies of scale and help local authorities to realise efficiency savings. A single badge supplier enables significant improvements to be made to the design of badges, a common badge numbering system with effective version control, the use of sophisticated anti-copy and anti-fraud technologies at the lowest cost, use of digitally scanned photographs, and more effective monitoring of lost and stolen badges. Local authorities will either be able to request badges be sent directly to the applicants or back to the local authority for onward distribution or, preferably, personal collection.
23. We are aiming to roll-out the new badge design from the end of 2011. From that date, you will only be able, legally, to issue new applicants, those renewing badges or those asking for replacements for lost or stolen badges with the new badge design. You will, therefore, also need to consider your stock levels of the old-style badges in the run up to this date, and arrangements for securely disposing of any remaining old stock after this date. We do not propose a full scale replacement of the old stock that would mean existing badge holders exchanging old for new badges. Badge holders can continue to use existing badges until they expire, which might in some cases not be until 2014.
24. To help local authorities enforce the scheme, the DfT plans to amend secondary legislation to extend the grounds available to local authorities to refuse to issue and to withdraw badges, and primary legislation to provide the new powers mentioned in the above table. The primary legislation will be subject to the availability of Parliamentary time.
25. The amendments will introduce powers, rather than any duties, for local authorities and are aimed at improving operational efficiency and at bringing the legislation up to date. It will, therefore, be for local authorities to decide whether or not to adopt the powers being proposed. But the changes have been requested by local authorities during consultation on the reform programme.

The badge fee

26. The following measure will be implemented to enable local authorities to cover costs more appropriately and to enable the delivery of the new badge design:

Reform measure	Earliest delivery	Notes
Change legislation to raise the maximum fee that local authorities can charge for a badge from £2 to £10. The increased fee will pay for the new badge design and it will enable the common service improvement project (BBIS). Badge holders should, in return, benefit from improved accessibility as abuse is reduced.	End 2011	Subject to secondary legislation

27. It will be for local authorities to decide whether or not to raise the badge fee in their area, or indeed to begin charging in those areas that do not currently do so. It should be noted, however, that the new badge design will cost more to produce and it is estimated that the cost per badge issued via BBIS will be around £5 per badge. The actual cost will be finalised when the contract for BBIS has been agreed. Those local authorities who do not choose to raise the fee will need to cover any costs associated with the new badge design themselves.

Implementation

28. As noted above, the changes will be implemented between April 2011 and 2013/14. The changes needed to primary legislation will be dependent on the availability of Parliamentary time and may therefore be implemented at a later date.

Local authorities are reminded that changes to the scheme outlines above should not be made until they come into force. The Department will provide local authorities with further details of the reforms as and when they take place. If you haven't already please register your correct contact details at: bbes@dft.gsi.gov.uk

Other issues

29. Please see Annex A for additional information on other changes that may affect you. We have also provided information at Annex B on other reforms that were considered as part of the recent review of the Blue Badge scheme, but that will not be taken forward. Annex A provides details of a Blue Badge Community of Practice site that has been set up for use by local authorities.

Annex A: Other changes which may affect you

DLA Consultation

At present, about 40% of Blue Badges are issued automatically to people in receipt of the Higher Rate Mobility Component of Disability Living Allowance. As you know, the Government believes that Disability Living Allowance (DLA) in its current form has become unworkable and the assessment procedures on the current eligibility criteria inconsistent. The Department for Works and Pensions (DWP) published a consultation document on 6 December 2010 on the Government's proposals to reform DLA and introduce a new objective assessment. Officials from the DfT and DWP will continue to work together during this time of policy development and DLA reform. We will keep local authorities informed on the DLA reforms through our newsletters.

Blue Badge local authority data

The DfT publishes the annual Blue Badge data collected from local authorities online at the local authority level. It is intended that its publication will invite openness and transparency and allow members of the public access to their local authority's data. The latest publication can be viewed at <http://www.dft.gov.uk/pgr/statistics/datatablespublications/public/parkingbadges/>.

Printing and marketing

'Can I get a Blue Badge' leaflets are no longer available to order from The Stationary Office (TSO). They are available to download from the DfT's website at: <http://www.dft.gov.uk/transportforyou/access/bluebadge/>. The 'Rights and Responsibilities' leaflet will continue to be provided by the new badge supplier on a one per badge basis. Any additional copies can also be downloaded and printed from the DfT's website at the above web address.

Advice line

The Blue Badge Advice Line will be closing on 30 March 2011. After this date, local authorities will need to deal with enquiries about the scheme from their local residents. General information will be available on the DfT's web-site and on directgov.

Community of Practice

A Blue Badge Online Community (BBOC) has been set up on the Improvement and Development Agency's (IDeA) Communities website. The BBOC is a forum for local authority teams involved in administering and enforcing the Blue Badge scheme to share good practices, ideas and practical tips. The community also contains links to documentation that local authorities in England may find useful to effectively deliver the Blue Badge scheme and up to date information on DfT's reforms.

If you would like to discuss the issues raised in this letter, or anything to do with the Blue Badge scheme, with other local authority officers working in this area then follow the link below to sign up to the BBOC:

<http://www.communities.idea.gov.uk/c/1957428/home.do>

Other publications:

As part of the announcement on the Blue Badge reform programme, the Department has published the press notice, written Ministerial statement and factual Q & A. This can be found at: <http://www.dft.gov.uk/transportforyou/access/bluebadge/reform/>

The Blue Badge consultation, which was published on 22 March and closed on 2 July, received 225 responses; thank you to all those who sent a reply. The responses have been analysed and the Department has published a 'Consultation Response Report', which can be found on the Blue Badge pages of the DfT website at: <http://www.dft.gov.uk/transportforyou/access/bluebadge/reform/>

If you would like to see the Department's latest newsletter on the Blue Badge reform programme, it is published online at: <http://www.dft.gov.uk/transportforyou/access/bluebadge/reform/>

The DfT's role

The DfT's role is to set the overarching legislative framework for the Blue Badge scheme. Within this framework, it is for local authorities to determine administrative and enforcement processes for their areas and to make decisions about issues like an individual applicant's eligibility or the specific enforcement action to take against someone who might be abusing the scheme. DfT is not able to provide legal advice to local authorities on how they should administer or enforce the scheme. Where any such advice is needed, local authorities should contact their own legal teams. The DfT has no power to intervene in individual cases where a local authority decides to refuse to issue a Blue Badge on the grounds that the applicant does not meet the eligibility criteria. The DfT would be happy to discuss any general matters or questions about Departmental policy and the reform programme and to hear from local authorities who wish to become actively involved in implementing the reforms. We have also established a Community of Practice site to enable peer-to-peer learning and encourage the exchange of ideas between local authorities.

Annex B: Other options that will not be implemented

Some options for reform have been considered but have been rejected. The main ones are as follows:

- increasing or decreasing the length of time that badge holders are permitted to park on yellow lines (from the current 3 hours); or changing it so that badge holders, for example, could not park on double-yellow lines; or extending the scheme so that it includes off-street parking. During consultation, disabled people wanted to be able to park for longer but there were concerns about road safety issues and obstructions to traffic, causing traffic congestion. Town centre managers wanted the concession to be shorter but this would reduce the benefits of the scheme to disabled people. No changes are being made to the concession itself.
- extending eligibility further, for example, to those with cognitive or behavioural impairments, those with colitis, Crohn's disease or similar conditions, or those with temporary disabilities of less than one year. Further extensions of the scheme would reduce the accessibility benefits to those with severe mobility impairments who are currently eligible and increase costs to local authorities. The decision was taken that the primary objective of the scheme should be to provide direct help to those individuals with severe mobility problems who would otherwise be physically unable to access the places they need to go to.
- introducing a national application processing system operated by central rather than local government. This has been rejected as it does not support the localism agenda. Local authorities are also best placed to assess local needs and deliver local services.
- other options in relation to the badge fee. A maximum fee that local authorities are able to charge has been set in legislation since the scheme was established to ensure fairness. Consideration was given to raising the maximum fee to £20, as is the case in Scotland. It was felt, based on consultation, that £10 would be the most appropriate fee. The second involved amending primary legislation to make it mandatory for all local authorities to charge the same fee. This was rejected as it does not support the localism agenda. The third involved charging the fee on application for rather than on issue of a badge, so that unsuccessful applicants would also have to pay the fee. This was rejected as it was felt to be unfair.
- other options in relation to new or amended enforcement powers. The first involved providing local authorities with a power to issue Fixed Penalty Notices to third parties using someone else's badge for their own benefit. The DfT was not convinced that there were strong enough arguments for such a power as other action can be taken in these circumstances, and after bearing in mind the potential costs and benefits and the availability of other offences and penalties. The second involved creating a new fraud offence and a higher penalty in Blue Badge legislation for fraudulent use of a badge. Powers are, however, available under the Fraud Act 2006 that could be used to deal with these offences. The third involved decriminalising the whole Blue Badge enforcement regime. At present, an enforcement hierarchy is in place whereby local authorities are able to issue Fixed Penalty Notices or Penalty Charge Notices for minor parking contraventions using Blue Badges. They can then use the current criminal offences available in Blue Badge legislation to deal with more serious offences and powers are also available under the Theft and Fraud Acts to deal with offences such as mass producing and selling fake badges. The DfT believes it is important to retain options for enforcement officers and the current criminal offences.