



From the Parliamentary  
Under Secretary of State



## Department for **Transport**

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Our Ref: MC/16487

John Thomson  
Deputy Leader of the Council  
Wiltshire Council  
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19 October 2011

*Dear Councillor Thomson*

Thank you for your letter of 29 September, about the Government Blue Badge Reform Programme.

The Reforms being implemented are the first since the Blue Badge scheme was introduced in 1971. They were developed following consultations in 2008 and 2010, and workshops with local authority officials, disabled people and other experts. There has been overwhelming support from local authorities for a major overhaul of the scheme to address the many challenges they face. The Blue Badge scheme is a vital service for severely disabled people and there is a need to reduce abuse and prevent fraud, improve consistency and customer service and to ensure the scheme is sustainable in the future. As the scheme provides a national concession and badge holders can use badges anywhere in Great Britain, the most effective way of implementing the reforms is if everyone involved acts together, and we are pleased that local authorities and the Scottish and Welsh Governments have been working closely with us to achieve common aims.

Amongst other reforms, local authorities asked us to introduce a new, more secure badge and to be able to share key information about the badges and badge holders to help enforce the scheme. They also asked for help in ensuring that more robust assessment processes were in place at application stage to ensure applicants comply with the eligibility criteria, ensuring that those most in need receive a badge.

You feel that you do not have an issue with misuse and abuse of Blue Badges in Wiltshire. I would be surprised if this were true and would be interested to see any evidence you have to support this claim. The National Fraud Authority has estimated that fraud is costing up to £46 million per year in terms of lost parking revenue across England. Badges issued by one local authority can be used anywhere in the UK, and so it is important that robust and effective practices are in place, and that applicants are properly assessed to ensure they meet the eligibility criteria set out in the legislation.

I noted in my previous letter that the Blue Badge Improvement Service will 'go-live' on 1 January 2012. From that date, all local authorities will be required to issue the new-style badges, and these will no longer be able to be produced in-house because of the material they are to be printed on, the number of security features they contain and the need to establish a secure supply and distribution network.

Whilst you are right in stating the cost of the badge is £4.60, this cost is not purely for the badge. The £4.60 covers the cost of the badge along with the clock, the information leaflet, a covering letter to the applicant and postage. In addition, your local authority has access to the complete data sharing system that will prevent multiple and fraudulent applications; a system that will automatically verify some of the applicant's details; an on-line payment system; an enquiry support service; and on-line applications through Directgov. All of this is being provided at no capital cost to any local authority and I firmly believe this cost is fair and in proportion to the benefits that local authorities will accrue.

The new model application form was developed in consultation with local authorities, disabled people and healthcare professionals. It is designed to ensure that key information is gathered at application stage to inform a desk based, risk based assessment of whether or not an applicant needs a mobility assessment. My department will lay regulations later this month that will, from April 2012, require local authorities to carry out independent mobility assessments in more cases when a person's eligibility is in doubt.

The national on-line application form that will be available on Directgov from 1 January 2012 is being designed so that applicants will only need to complete relevant sections. If, for instance, they apply for a badge under the 'without further assessment' criteria, the form will be short as the information being requested will be minimal. Those applying under the 'with further assessment' criteria will need to supply more information

to enable an informed decision to be made by the local authority. Where a local authority has established that a successful applicant's condition is unlikely to change, the information requested at renewal time will also be minimal.

You request in your letter that I return the issuing of badges to the local authority. Local authorities have always been responsible for issuing badges within their areas and this situation will not change. The Blue Badge Improvement Service is simply putting in place a means by which local authorities can administer and enforce the Blue Badge scheme more effectively. The decision on whether or not a person should be given a badge will remain with the local authority. The local authority is also able to decide whether or not to charge a fee for a badge, up to the maximum of £10 that will be specified in regulations later this month.

Finally, I am delighted to hear that Wiltshire County Council has been one of the first local authorities to complete their Access Agreement and sign up to use the Blue Badge Improvement Service.

Yours sincerely



**NORMAN BAKER**

<b>The Blue Badge Service – Costs</b>					
<b>The following information is based on a WHOLE LIFE cost <u>per badge</u> and includes costs for fast track, replacement clock, one change of circumstance.</b>					
<b>CURRENT Blue Badge scheme - WC Blue Badges Team</b>	<b>Cost PER BADGE</b>	<b>REVISED Blue Badge scheme JAN 12 onwards - WC Blue Badges Team</b>	<b>Cost PER BADGE</b>	<b>Northgate Service Charges # (ie outsourced areas of BB process)</b>	<b>Cost PER BADGE</b>
Cost of badge (Blank badge, Clock, Tamper proof wallets)	£0.60	Cost of badge (produced by Payne Security) incl. clock wallet	£4.60		
Spare Leaflets and Clocks (estimate 200) included in above)	N/A	Spare Leaflets and Clocks (estimate 200)	£0.41		
Fast-track Badges (for urgent cases - estimate 50 per year) staff costs	N/A	Fast-track Badges (for urgent cases - estimate 50 per year) staff costs	N/A		
Fast-track Badges (for urgent cases - estimate 50 per year) northgate charge	£0.00	Fast-track Badges (for urgent cases - estimate 50 per year) northgate charge	£2.58		
Postage	£0.72	Postage	£0.60		
Printing (letters,application forms and badges0.55) *	£0.22	Printing (Letters and forms (no badges) ) *	£0.35		
Staff Costs:		Staff Costs:			
Making up badges (includes sticking photo onto badge)	£0.50	Admin of photos ( receiving badges, electronic scanning, cross referencing, validating, saving and transmitting to Northgate)	£0.50		
Inputting new application data onto WC database INCLUDING Assessment**	£2.80	ONLY Inputting new application data onto national database only 22 page form)**	£2.80	Inputting new application data onto national database#	£4.96
		Assessment **	£4.70		
Inputting change of circumstance data onto existing database	£0.93	Inputting change of circumstance data onto existing database	£0.93	Inputting change of circumstance data onto existing database #	£2.68
Payment admin Blue Badge team time currently no charge	N/A	Payment admin Blue Badge team time	£1.22		
Processing charges	N/A	22p per transaction for a debit card & 1.8% for credit card i.e. if £10 charge then 25p., 30p for a cheque.	£0.25		
<b>WHOLE LIFE cost of badge</b>	<b>£5.77</b>	<b>WHOLE LIFE cost of badge</b>	<b>£18.94</b>		
<b>BASIC cost of badge (minus fast track replacement clock and change of circ)</b>	<b>£4.84</b>	<b>BASIC cost of badge (minus fast track replacement clock and change of circ)</b>	<b>£15.02</b>		
cost of Replacement Badge (lost or damaged by customer)	£0.00	Mandatory charge for lost or stolen badge treated by government as new badge	£4.60		
<p>* Anticipate a higher cost <b>initial</b> cost on printing forms as our existing forms are 4 pages. The new forms are 22 pages! That said, the new online facility should see a reduction in form requests but it is difficult to predict how much of a reduction bearing in mind that many of these customers are vulnerable and need assistance and the time it will take for people to migrate to that method. To offset this we will not have to print badges any more and in 3 years time, we won't have to print renewals letters. Therefore any real savings will not materialise for about 3 years</p>					
<p>** the variation of the assessment time is down to an estimated increase in staff time to assess. The new application form is 22 pages (Current WC form 4 pages) with a greater level of checking and information required; e.g. We now have to verify address details from Council Tax records. It is anticipated that assessment time will increase from 10-15 mins to 25 mins per badge.</p>					
<p># Northgate will only provide certain aspects of the Blue Badge process there is not a fully outsourced solution. The assessment, checking of the photo against individual etc all has to be managed by the LA</p>					

