

John Thomson
Deputy Leader of the Council

29 September 2011

Norman Baker MP
Parliamentary Under Secretary of State for the Department of Transport
Great Minster House
76 Marsham Street
London
SW1P 4DR

Cabinet Office
Wiltshire Council
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Your
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Our jt/cc/002.11.m
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Dear Mr Baker

The Government Blue Badge Reform Programme: Blue Badge Improvement Service

I write in response to your letter dated September 2011 regarding the government's Blue Badge Reform Programme.

I am concerned that at a time when government have decided to devolve responsibility to local government and require us to remove £32 million from our budgets in a drive for efficiency we are faced with an expensive and cumbersome change to the Blue Badge system.

Wiltshire carried out a lean review of its blue badge system some years ago and in doing so it reviewed all aspects of the system including the application and assessment process, the payments process and how we worked with the GPs. In doing so, the council saved the PCT £56k per year and removed £120k from internal costs. A key benefit for the customers was the dramatic reduction in turnaround times and often resolution on first point of contact.

The new system builds cost back into the system and in addition, increases cost and waiting time for the customer. The hybrid 'hand-off' system between the council, Northgate and its partner Payne Security will build in waste and delay. The changes in the process whilst building checks for fraud into the system, assume that there are high levels of blue badge fraud in all areas of the country and that a centralised system is the best way of dealing with that. Instead it has built in additional cost for both the customer and the council.

I attach a spreadsheet prepared by our officers which shows that the basic cost of a badge has increased from £4.84 to £15.02. The council will not only lose money in following the new process but more importantly, where we have previously not charged for a badge will now need to recover the full £10.00 in order to cover our costs.

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I would request that, even at this late stage the government consider ceasing this process and returning the issuing of blue badges to the local authority.

Yours sincerely

John Thomson
Deputy Leader and Cabinet Member for Adult Care, Communities and Housing

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The Blue Badge Service – Costs					
The following information is based on a WHOLE LIFE cost per badge and includes costs for fast track, replacement clock, one change of circumstance.					
CURRENT Blue Badge scheme - WC Blue Badges Team	Cost PER BADGE	REVISED Blue Badge scheme JAN 12 onwards - WC Blue Badges Team	Cost PER BADGE	Northgate Service Charges # (ie outsourced areas of BB process)	Cost PER BADGE
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		
WHOLE LIFE cost of badge	£5.77	WHOLE LIFE cost of badge	£18.94		
BASIC cost of badge (minus fast track replacement clock and change of circ)	£4.84	BASIC cost of badge (minus fast track replacement clock and change of circ)	£15.02		
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 initial 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>					