

Personal Independence Payment and eligibility for a Blue Badge

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Foreword

The Government is taking forward important reforms to the welfare system. One of these reforms will involve changes to Disability Living Allowance and will affect eligibility for a Blue Badge. About a third of all badges are currently issued to people who receive the higher rate of the mobility component of Disability Living Allowance. My Department is therefore seeking your opinions on the options we have for dealing with the impact of the changes.

I am committed to ensuring that the Blue Badge scheme continues to be focused on those people who will benefit most from the parking concessions that it offers, and that it is sustainable in the future. I hope that you are able to let us know what you think of the options presented in this consultation document, before I make a decision on the best course of action.

A handwritten signature in black ink that reads "Norman Baker". The signature is written in a cursive, flowing style.

Norman Baker MP
Minister for Transport

Executive summary

1. Disability Living Allowance (DLA) is being reformed to create a new benefit called Personal Independence Payment (PIP). This will be introduced for people aged between 16 and 64 from April 2013 onwards. The Department for Work and Pensions (DWP) is responsible for the development and implementation of these reforms and has already consulted in 2010 and 2011 on the reform of DLA. Between January and April 2012, DWP consulted on the second draft of the proposed assessment criteria for PIP. Between 26 March and 30 June 2012, DWP consulted on proposals for the detailed design of PIP including eligibility, payability, reassessment and passporting. Copies of all these consultations may be found at: <http://www.dwp.gov.uk/pip>
2. DLA will continue to be available for children below the age of 16, and for people who are aged 65 or over on 8 April 2013, subject to the eligibility conditions. There are at present, 2.55 million Blue Badges on issue in England. We believe that two thirds of these are issued to people who are aged over 65.
3. The implementation of PIP will affect eligibility for a disabled person's parking permit, or Blue Badge. The Department for Transport (DfT) is responsible for the legislation that sets out the eligibility criteria for a badge. We are therefore issuing this consultation document to seek views from disabled people, their representative groups and the local authorities who administer and enforce the Blue Badge scheme on options for dealing with the changes to DLA.
4. The DfT has identified three main options for responding to the implementation of PIP. We would however be interested to receive ideas and suggestions for other practical solutions that would be affordable and would help to support the future sustainability and operation of the Blue Badge scheme. The three main options are:
5. Option 1 – no legislative link between eligibility for a Blue Badge and eligibility to PIP.

6. Option 2 – establishing a legislative link between Blue Badge eligibility and the enhanced mobility component of PIP.
7. Option 3 – establishing a legislative link between Blue Badge eligibility and those who score 8 points or more within the ‘Moving Around’ activity within PIP. This assesses a person’s physical ability to get around.
8. All the options will affect eligibility for a Blue Badge as PIP will start taking claims for new claimants from April 2013, and begin to replace DLA for existing recipients aged between 16-64 from October 2013 onwards. At present, about 36% of Blue Badges are issued to people in receipt of the higher rate of the mobility component of DLA (HRMCDLA). Eligibility for PIP is also being assessed on a different basis to DLA. None of the options, therefore, replicate the existing eligibility criteria for a Blue Badge as this is not possible.
9. All the options will also affect local authority administration of the scheme and therefore the costs and benefits associated with this responsibility. The DfT has indicatively modelled the potential benefits and costs involved in the three options that are presented, using available DWP and DfT datasets. It should be noted, however, that modelling the potential costs and benefits is difficult to do as information on some of the potential impacts is not available.
10. Responses from this consultation will be used to inform the Government’s decision on how best to proceed. Consequential changes to the regulations that govern the Blue Badge scheme will need to be made in time for the implementation of PIP in April 2013.
11. The DfT is responsible for the Blue Badge scheme in England and so this consultation applies to England only.

How to respond

The consultation period began on 10 July 2012 and will run until 2 October 2012. Please ensure that your response reaches us before the closing date. If you would like further copies of this consultation document, it can be found at

<http://www.dft.gov.uk/topics/access/blue-badge>

or you can contact Sally Kendall if you would like alternative formats (Braille, audio CD, etc).

Please send consultation responses to

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When responding, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of a larger organisation, please make it clear who the organisation represents and, where applicable, how the views of members were assembled.

Freedom of Information

Information provided in response to this consultation, including personal information, may be subject to publication or disclosure in accordance with the Freedom of Information Act 2000 (FOIA) or the Environmental Information Regulations 2004.

If you want information that you provide to be treated as confidential, please be aware that, under the FOIA, there is a statutory Code of Practice with which public authorities must comply and which deals, amongst other things, with obligations of confidence.

In view of this it would be helpful if you could explain to us why you regard the information you have provided as confidential. If we receive a request for disclosure of the information, we will take full account of your explanation, but we cannot give an assurance that confidentiality can be maintained in all circumstances. An automatic confidentiality disclaimer generated by your IT system will not, of itself, be regarded as binding on the Department.

The Department will process your personal data in accordance with the Data Protection Act (DPA) and in the majority of circumstances this will mean that your personal data will not be disclosed to third parties.

1. Current eligibility for a Blue Badge

- 1.1 The Blue Badge Scheme in England gives a concession to disabled people to park where particular restrictions may otherwise apply. The scheme plays an important role in helping severely disabled people to access jobs, shops and other services.
- 1.2 There are currently 2.55 million Blue Badge holders, many of whom say that they would be unable to travel without the certainty that they will be able to park close to where they need to be. We believe that two thirds of all badges are issued to people over the age of 65. The Government is committed to ensuring that this vital scheme remains in place.
- 1.3 Eligibility for a Blue Badge is set out in the governing regulations. These are the Disabled Persons (Badges for Motor Vehicles) (England) Regulations 2000,¹ as amended. Since the 1980s, the regulations allow people to apply to local authorities for a badge through two main routes: 'without further assessment' and 'with further assessment'.

Without further assessment

- 1.4 Under the 'without further assessment' category, a person is automatically eligible for a Blue Badge if they are over two years old and meet at least one of the following criteria:
 - receives the Higher Rate of the Mobility Component of the Disability Living Allowance (HRMCDLA)
 - is registered blind
 - receives an award under the War Pensioners Mobility Supplement (WPMS)
 - receives a lump sum benefit within tariff levels 1-8 of the Armed Forces and Reserve Forces (Compensation) scheme and have been certified as having a permanent and

¹ SI 2000/682.

substantial disability which causes inability to walk or very considerable difficulty walking.

- 1.5 There is a further category of people who receive a grant under the National Health Service Act 2006 for certain vehicles, but we believe that, in practice, such awards are never made. These grants are separate to those available under the Government's Motability scheme.
- 1.6 Over 900,000 badges in England are currently on issue to people in receipt of HRMCDLA. People with all types of disability can apply for Disability Living Allowance if they are aged over 3 years and under 65 years at the time they apply. People can continue to be entitled beyond the age of 65 if they fulfil the entitlement criteria. Those currently in receipt of HRMCDLA have a range of medical conditions including ones that may affect a person's ability to walk.
- 1.7 People can be given HRMCDLA awards for conditions that last for a period of less than three years. In these cases, the start and expiry dates on the Blue Badge are the same as the period of the HRMCDLA award, ie badges can be issued for a period of three years or the duration of the award, if that is less. This is different to the situation under the 'with further assessment' criteria when badges can only be issued for three years to people with a permanent and substantial disability (see below).

With further assessment

- 1.8 Under the 'with further assessment' category, a person may be eligible for a badge if they:
 - are more than two years old and have been certified by an independent mobility assessor as having a permanent and substantial disability which causes inability to walk or very considerable difficulty in walking
 - drive a motor vehicle regularly, have a severe disability in both arms and are unable to operate, or have considerable difficulty operating, all or some types of parking meter
 - are a child under three years old with specific medical conditions which means that they must always be accompanied by bulky medical equipment which cannot be carried around without great difficulty and/or need to kept near a vehicle at all times.

- 1.9 Around 1.6 million badges are currently on issue in England to people under the ‘with further assessment’ criteria. This is the main route for people aged over 65 years. The decision on whether or not a person is eligible for a badge is for the issuing local authority to make. The DfT issues non-statutory guidance to local authorities on the factors that should be taken into account when they are making an assessment. The guidance contains the advice of an expert group of mobility assessors who found that:
- if an applicant is unable to walk 30 metres in total, then their walking ability is not appreciable and they can be deemed as having very considerable difficulty in walking
 - the applicant *may* be deemed eligible if they can walk 30-80 metres without pain or breathlessness, but demonstrate very considerable difficulty in walking through a combination of other factors (eg. extremely slow pace and/or their manner of walking) and
 - applicants who can walk more than 80 metres and do not demonstrate very considerable difficulty in walking through any other factors would not be deemed as eligible.
- 1.10 Eligibility under the ‘with further assessment’ category is not condition specific and the local authority’s decision should not be determined on the basis of a particular diagnosis or disability. It is the effect of the permanent disability on a person’s ability to walk that is considered. People with mental health conditions, intellectual or cognitive impairments may be eligible for a badge if, in consequence, they are unable to walk or have very considerable difficulty in walking.
- 1.11 Since April 2012, local authorities are required to refer applicants applying under the ‘with further assessment’ criteria to an independent mobility assessor in cases when eligibility is in doubt.
- 1.12 Badges issued under the ‘with further assessment’ criteria are generally issued for a period of three years. Local authorities do not generally have powers in England to issue badges for period of less than three years under these criteria unless they are providing a replacement badge for one that has been lost or stolen, or unless they are issuing a badge under the specific eligibility criterion for a disabled child under the age of three.

Reforms to the Blue Badge scheme

1.13 The Government has almost completed implementing a series of reforms to the scheme. The aims of the reform have been to ensure that the scheme is focused on helping those who need it the most and that it is sustainable in the future. This has meant changes to deal with current levels of fraud and abuse, ensure fair access to the concession and the benefits it offers and to help local authorities administer and enforce the scheme more effectively.

1.14 The reforms have included:

- extension of the eligibility criteria for a badge to more disabled children between the ages of 2 and 3 and provision of continuous entitlement to severely disabled service personnel and veterans
- transfer of mobility assessment funding from Primary Care Trusts to local authorities and a requirement for independent mobility assessments in cases when eligibility is in doubt
- amendment of the grounds by which a local authority may refuse to issue, or withdraw, a badge
- implementing a new badge design that is harder to copy, forge and alter
- enabling local authorities to charge a maximum fee of £10 for the new badges
- establishing a single national database called the Blue Badge Improvement Service. The system is now in use by all local authorities in England, Scotland and Wales and will contain information on all badges and badge holders. It is also:
 - preventing multiple and fraudulent applications
 - enabling quick and easy validity checks by enforcement officers from anywhere in the country, no matter which LA has issued the badge
 - printing, supplying and distributing the new Blue Badge
 - enabling local authorities to share services and achieve economies of scale.

1.15 As noted above, people with a mental health condition, intellectual or cognitive impairment may be eligible for a badge under the 'with further assessment' criteria if, in consequence, they are unable to walk or have very considerable difficulty walking, or if they are in

receipt of an award under the Higher Rate of the Mobility Component of the Disability Living Allowance. The DfT considered widening eligibility for a Blue Badge as part of the recent reform programme and consulted in 2008 and 2010.

- 1.16** The Government announced in February 2011 some limited eligibility extensions to severely disabled service personnel and to children under three years old with specific medical conditions. It also announced that the Government had no plans to extend eligibility to other groups of disabled people. With over 2.5 million badges already on issue, it decided that it was important to ensure the Blue Badge scheme remains sustainable in the long term and that it protected the concession for those who need it the most, ie those who are unable to walk or have very considerable difficulty walking.

Consultation Question 1

What do you think should be the eligibility criteria for a Blue Badge?

- 1a** Do you think the Blue Badge scheme should be available for people with a mental health condition, intellectual or cognitive impairment but who are able to walk? Please explain your reason.
- 1b** Do you think the Blue Badge scheme should be targeted at people who are unable to walk or have very considerable difficulty walking? Please explain your reason.
- 1c** Do you think that there should be both automatic eligibility criteria and criteria that require further assessment and consideration? Or do you think that all applicants should be assessed on the same basis?

2. Welfare reforms

- 2.1 From April 2013, the Department for Work and Pensions (DWP) is replacing Disability Living Allowance for working age claimants (aged 16 to 64) with a new benefit called Personal Independence Payment (PIP).
- 2.2 The Government intends to phase in PIP, starting with new claimants in one geographic area from 8 April 2013. During the first few months, the number of new claims will be limited to allow DWP to test systems before all new claims for PIP enter the process. New claims will be rolled out nationally from 10 June 2013. Existing DLA claimants will be invited to claim PIP from 7 October 2013, with an expected completion date of May 2016.
- 2.3 Since publishing its initial proposals for introducing PIP in December 2010, DWP has been developing its criteria for assessing benefit entitlement, working with independent experts in health, disability and social care. They published an initial draft of assessment criteria in May 2011 and, following an informal consultation and testing, published a second, amended, draft in November 2011. In January 2012, they launched a formal consultation on the assessment criteria which ran until 30 April. DWP is currently considering the responses received to the consultation and intends to publish a final, amended, draft of the assessment criteria later in 2012.
- 2.4 Between 26 March and 30 June 2012, DWP consulted on proposals for the detailed design of PIP including eligibility to the benefit, payability for certain groups, reassessment of DLA recipients and passporting arrangements.
- 2.5 Copies of both consultation documents referred to above and the second draft of the proposed PIP assessment criteria can be found at the following link: <http://www.dwp.gov.uk/pip>
- 2.6 Given recent and ongoing consultation activity, DWP's detailed policy on PIP remains in development and subject to further change. However, given the need to make any necessary changes to the regulations that govern the Blue Badge scheme

before April 2013, the DfT needs to consult now on the basis of the latest information from DWP.

The PIP mobility criteria

- 2.7 When looking at DWP's second draft of the PIP assessment criteria, in terms of Blue Badge eligibility, the proposed assessment criteria for the mobility component of PIP are of most relevance and the relevant tables are included below.
- 2.8 DWP proposes to assess people's eligibility for the mobility component of PIP on the basis of the criteria set out in Activity 10 – planning and following a journey and Activity 11 – moving around. Activity 10 considers an individual's ability to work out and follow a route. Activity 11 considers an individual's physical ability to move around.
- 2.9 Individuals will be assessed against the criteria and be allocated a "descriptor" based on the extent to which they can complete the activities and whether they need support from another person to do so or need to use aids and appliances. Each descriptor has a point score attached to it reflecting relative levels of need. When assessing individuals, DWP proposes to look at whether individuals can complete activities safely, reliably, repeatedly and in a timely manner.
- 2.10 DWP has proposed that the following total point scores from Activities 10 and 11 combined will bring entitlement to the mobility component of PIP:
- Standard Rate: 8 points
Enhanced Rate: 12 points
- 2.11 DWP's proposals will mean that a person may be awarded the enhanced mobility component of PIP with only a mental health condition, intellectual or cognitive impairment, or only a physical impairment, or a combination of both.

Extract from proposed PIP assessment criteria

Part 2 – Mobility activities

Activity 10 – Planning and following a journey		
<p>This activity considers an individual’s ability to work out and follow a route.</p> <p>Notes:</p> <p>A person should only be considered able to journey to an unfamiliar destination if they are capable of using public transport (bus or train).</p> <p>For those descriptors which refer to overwhelming psychological distress, there must be evidence of an enduring mental health condition, intellectual impairment or cognitive impairment. There must be evidence that overwhelming distress has/would occur, not just that it might.</p> <p>Safety and reliability are particularly important considerations here if there would be a substantial risk to the individual or others if they went out alone.</p>		
A	Can plan and follow a journey unaided.	0
B	Needs prompting for all journeys to avoid overwhelming psychological distress to the individual.	4
For example: may apply to individuals who are only able to leave the home when accompanied by another person.		
C	Needs either – <ul style="list-style-type: none"> i. supervision, prompting or a support dog to follow a journey to an unfamiliar destination; or ii. a journey to an unfamiliar destination to have been entirely planned by another person. 	8
D	Cannot follow any journey because it would cause overwhelming psychological distress to the individual.	10
For example: may apply to individuals who are unable to leave home at all.		

E	Needs either – i. supervision, prompting or a support dog to follow a journey to a familiar destination; or ii. a journey to a familiar destination to have been planned entirely by another person.	15
Activity 11 – Moving Around		
<p>This activity considers an individual’s physical ability to move around. This includes ability to transfer unaided between two seated positions, to move up to 50 metres, up to 200 metres and over 200 metres.</p> <p>Notes:</p> <p>This activity should be judged in relation to a type of surface normally expected out of doors such as pavements and roads on the flat and includes the consideration of kerbs.</p> <p>50 metres is considered to be the distance that an individual is required to be able to walk in order to achieve a basic level of independence such as the ability to get from a car park to the supermarket.</p> <p>50 to 200 metres is considered to be the distance that an individual is required to be able to walk in order to achieve a higher level of independence such as the ability to get around a small supermarket.</p> <p>Aids or appliances that a person uses to support their physical mobility may include walking sticks, crutches and prostheses but do not include manual wheelchairs or any motorised device.</p> <p>As with all activities, the person must be able to perform the activity safely and in a timely fashion – however, for this activity this only refers to the actual act of moving. For example, danger awareness (such as traffic) is considered as part of activity 10.</p>		
A	Can move at least 200 metres either – i. unaided; or ii. using an aid or appliance, other than a wheelchair or a motorised device.	0

B	Can move at least 50 metres but not more than 200 metres either – i. unaided; or ii. using an aid or appliance, other than a wheelchair or a motorised device.	4
C	Can move up to 50 metres unaided but no further.	8
	For example: identifies individuals who can move up to 50 metres unaided but then require a wheelchair for anything further.	
D	Cannot move up to 50 metres without using an aid or appliance, other than a wheelchair or a motorised device.	10
	For example: identifies individuals who can use an aid or appliance to move up to 50 metres but then require a wheelchair for anything further.	
E	Cannot move up to 50 metres without using a wheelchair propelled by the individual.	12
F	Cannot move up to 50 metres without using a wheelchair propelled by another person or a motorised device.	15
G	Cannot either – i. move around at all; or ii. transfer unaided from one seated position to another adjacent seated position.	15

3. Options for dealing with impact on eligibility for a Blue Badge

- 3.1 The DfT has indentified the following options for dealing with the impact of PIP implementation on eligibility for a Blue Badge. There may be variations on these options or, indeed, different options, but these are the main three that we have considered in detail. The DfT would like to receive comments on these options and suggestions or ideas for other, practical and sustainable solutions.
- 3.2 All the options will affect currently eligibility for a Blue Badge as PIP will begin to replace DLA for people aged between 16-64 from April 2013 onwards. Eligibility for PIP is also being assessed on a different basis to Disability Living Allowance. None of the options, therefore, replicate the existing eligibility criteria for a Blue Badge as this is not possible.
- 3.3 The DfT has indicatively modelled the potential benefits and costs involved in the three options that are presented. The assumptions that form the basis of the modelling are sourced from available DWP and DfT datasets. A list of the main assumptions that we have used is attached at Annex A and we would like to receive your comments on whether or not these seem reasonable. It should be noted that modelling the potential benefits and costs is difficult to do as information on some of the potential impacts is not available. It is also not possible to carry out detailed sensitivity analysis on, for example, the number of trips that may or may not be made and the effect that would have on the parking revenue totals.
- 3.4 The modelling provides an estimate of potential costs in 2015-16 as DWP has based its assessment of potential PIP caseloads on what might be the situation as of March 2016, that is, after full roll-out of PIP. It shows that one of the options could increase costs to local authorities when compared to the current costs involved in administering the Blue Badge scheme. One of the options could reduce costs and one would be more or less the same. All the options will affect eligibility for a Blue Badge to a greater or lesser extent.

Option 1 – no legislative link between Blue Badge eligibility and receipt of a PIP award

- 3.5 The regulations that govern the Blue Badge scheme set out the eligibility criteria for a badge. These are the Disabled Persons (Badges for Motor Vehicles) (England) Regulations 2000.² One of the criteria currently states that a person is eligible if they receive the higher rate of the mobility component of the Disability Living Allowance in accordance with section 73 of the Social Security Contributions and Benefits Act 1992. We therefore need to consider whether or not to amend these regulations and to add a category that relates to PIP.
- 3.6 If we make no changes to our regulations, then there will not be any legislative link between eligibility for a Blue Badge and PIP. This might be described as the ‘do nothing’ scenario because the DfT would ‘do nothing’ by way of amending legislation. This option will mean that someone in receipt of a PIP award will not be automatically eligible for a Blue Badge. Everyone between the ages of 16 and 64 would need to apply directly to a local authority for a badge under the ‘with further assessment’ categories. A local authority would need to process these applications and carry out independent mobility assessments in cases where eligibility was in doubt.
- 3.7 Based on the indicative modelling that we have carried out, we have estimated the potential costs to local authorities in comparison with the costs of operating the scheme in its current form. If we consider just the net costs to local authorities, Option 1 would cost between £5m and £25m less than it currently costs them to operate the scheme in its existing form. In two-tier local authority areas, the savings would accrue to second tier enforcing authorities as they primarily result from lower parking revenue losses, rather than to the top tier local authorities who issue the badges. Top tier local authorities may incur some additional costs associated with processing applications and carrying out independent mobility assessments.
- 3.8 Under this option, we would retain the legislative link between Blue Badge eligibility and DLA, so those HRMCDLA recipients under 16 and DLA recipients who are over 65 on 8 April 2013

² SI 2000/682.

would continue to be eligible for a Blue Badge without further assessment.

- 3.9 In terms of eligibility, this option would mean that everyone between the ages of 16 and 64 would be assessed according to the same criteria. Eligibility would be determined on the basis of whether someone has a permanent and substantial disability that causes an inability to walk or very considerable difficulty walking; or who has a severe disability in both arms.
- 3.10 The assessment process would be the same as for those who already apply under the 'with further assessment' criteria. A person would need to apply and the local authority would need to refer the person for an independent mobility assessment in cases where eligibility was in doubt. Badges could only be issued for a three-year period. This could mean that a person who applied for PIP and then for a Blue Badge would need to undergo two separate assessments.
- 3.11 This option would not affect children under three years old with specific medical conditions. Because we would retain the legislative link between DLA and Blue Badge eligibility, it would also not affect people aged under 16 or over 65 who continue to receive a HRMCDLA award, or those who are registered blind or those who are eligible under the remaining 'without further assessment' criteria, that is, severely disabled service personnel.
- 3.12 This option is likely to mean that some people aged between 16 and 64 who are currently automatically eligible for a badge as a result of receiving a HRMCDLA award will become ineligible. HRMCDLA can currently be issued to people with a range of medical conditions including ones that may affect a person's ability to walk. If someone has a mental health condition, intellectual or cognitive impairment but is able to walk further than, for example, 50 metres without pain or discomfort, then they would be unlikely to be eligible under the 'with further assessment' criteria for a Blue Badge. Some people with a mental health condition, intellectual or cognitive impairment may be eligible if their ability to walk was also adversely affected.
- 3.13 HRMCDLA can currently be issued for periods of less than 3 years. Some people therefore have a HRMCDLA award for six months or one year or two years if their mobility is affected for that

period of time. In these cases, the start and end date of the badge is the same as the period of the HRMCDLA award.

- 3.14 There is no corresponding provision under the 'with further assessment' criteria for badges to be issued to those people with temporary mobility issues. Badges can only be issued for a three year period to people with a 'permanent and substantial disability which causes an inability to walk or very considerable difficulty walking.' The DfT has no plans to change this situation due to the additional costs that such a change would mean for local authorities and the impact on the number of available spaces for existing badge holders. This option would therefore mean that those people with temporary mobility issues would be unlikely to be eligible for a Blue Badge.
- 3.15 We do not have any estimates of how many people would become ineligible for a badge as a result of this option, but we believe that it would lead to fewer badge holders. It is this consequence that would lead to lower operational costs for local authorities when we compare this option with the current costs of running the scheme.
- 3.16 There could be a further expansion of this option that would involve amending the regulations to remove the current legislative link with HRMCDLA entirely. This would mean that applicants under the age of 16 and over the age of 65 would also need to apply directly to a local authority under the 'with further assessment' category, so that everyone would be assessed on the basis of the same eligibility criteria. We estimate that the additional net costs for local authorities of this expansion would be between £1 million and £2 million for dealing with applications from those aged under 16 and between around £15 million and £25 million for those aged over 65. Most badge applicants aged over 65 already apply directly to their local authority as HRMCDLA is not awarded to first-time applicants aged over 65 or over.

Consultation Question 2

What are your views on Option 1 – no legislative link between Blue Badge eligibility and PIP?

- 2a** Do you think that everyone between the ages of 16 and 64 should apply directly for a badge to a local authority under the 'with further assessment' criteria? Please explain your reason.
- 2b** If this option is taken forward, who do you think will be affected in that they will no longer be automatically eligible for a badge? Do you think that they would be eligible under the 'with further assessment' criteria?
- 2c** How many people do you think will be affected by this option in terms of their eligibility?
- 2d** Do you think this option should be extended to people under 16 and over 65 years of age so that they too would apply under the 'with further assessment' criteria? Please explain your reason.

Option 2 – establishing a legislative link between Blue Badge eligibility and the enhanced rate mobility component of PIP

- 3.17** As we explain in chapter 3, DWP proposes to assess a person's eligibility for the mobility component of PIP on the basis of the criteria set out in Activity 10 – planning and following a journey and Activity 11 – moving around. Activity 10 considers an individual's ability to work out and follow a route. Activity 11 considers an individual's physical ability to move around.
- 3.18** DWP has proposed an entitlement threshold for the enhanced rate of the mobility component of PIP of 12 points from both activities 10 and 11. This will mean that a person might be awarded the enhanced mobility component of PIP with only a mental health condition, intellectual or cognitive impairment, or only a physical impairment, or a combination of both.

- 3.19 This option would mean that the DfT would amend the regulations governing the Blue Badge scheme to add a new category of person who would be automatically eligible for a Blue Badge without any further assessment by a local authority. The new category would be anyone who receives the enhanced rate of the mobility component of PIP.
- 3.20 Under this option, we would retain the legislative link between Blue Badge eligibility and DLA, so those HRMCDLA recipients under 16 and DLA recipients who are over 65 on 8 April 2013 would continue to be eligible for a Blue Badge without further assessment.
- 3.21 This change to the regulations would significantly widen current eligibility for a Blue Badge to some people of working age with mental, cognitive and intellectual impairments who have high non-physical mobility needs, but who are able to walk. It would also mean a significant increase in the numbers of badges on issue. This option would benefit those between the ages of 16 and 64 who are currently not automatically eligible for a Blue Badge but who would become automatically eligible as a result of this option. It would, however, adversely impact on current badge holders as there would be more badge holders seeking available parking spaces, and an associated dilution in the benefit of the scheme to those who are unable to walk or who have considerable difficulty walking.
- 3.22 Based on the indicative modelling that we have carried out, we have estimated the potential costs to local authorities in comparison with the costs of operating the scheme in its current form. If we consider just the costs to local authorities, option 2 would cost between £15m and £25m more than it currently costs them to operate the scheme in its existing form. In two-tier local authority areas, the majority of the costs would fall to second tier enforcing authorities as they primarily result from greater parking revenue losses. There would also be additional administration costs for top-tier local authorities.
- 3.23 We believe it is important, when considering this option, to focus on the aims of the Blue Badge scheme. Whilst there are many disabled people who would benefit from being able to access the parking concessions it provides, we need to accept that there are restrictions on the number of available on-street parking spaces.

Widening eligibility for a Blue Badge could dilute the benefits associated with access to these for all badge holders.

- 3.24 As noted in chapter 2, the Government has almost completed a series of major reforms to the Blue Badge scheme to reduce the amount of fraud and abuse. With over 2.55 million badges already on issue and demand expected to grow as a result of the ageing population, we also need to ensure the Blue Badge scheme remains sustainable in the long term and that it protects the concession for those who need it the most. This option could undermine the benefits that have recently been gained from these reforms.
- 3.25 It is also important to consider who should be the main beneficiary of the Blue Badge scheme. We know that there are some people who are able to walk but whose condition means that their behaviour is challenging. Carers are rightly concerned for that person's safety, especially when they are close to busy roads. There are also other people with, for example, medical issues which mean their mobility is affected for a short period of time or who need to be able to park suddenly to manage a particular illness or condition. The Blue Badge scheme has, to date, been aimed at improving the accessibility of shops, jobs and other services to those people who are unable to walk or have very considerable difficulty walking.
- 3.26 People who have a Blue Badge are often able to automatically access other concessions. For example, badge holders are able to claim discounts from the London congestion charge, tolls on roads and crossing and concessions in off-street car parks. There would therefore be an impact of this option on the organisations that offer linked concessions.

Consultation Question 3

What are your views on Option 2 – establishing a legislative link between Blue Badge eligibility and the enhanced mobility component of PIP?

- 3a** Do you think that everyone who receives the enhanced mobility component of PIP should be automatically eligible for a Blue Badge? Please explain your reason.
- 3b** If this option is taken forward, who do you think will be affected in that they will become automatically eligible for a badge?
- 3c** How many people do you think will be affected by this option in terms of their eligibility?
- 3d** How do you think this option will affect existing badge holders, local authorities and the future sustainability of the Blue Badge scheme?
- 3e** How do you think this option would affect access to other linked benefits, eg. preferential parking provision in off-street car parks, concessionary travel scheme and the London congestion charge?

Option 3 – establishing a legislative link between Blue Badge eligibility and a score of 8 or more under the ‘Moving Around’ descriptor within PIP

- 3.27** Activity 11 of the current proposed PIP assessment criteria considers an individual’s physical ability to move around. The details of what it currently covers are provided in chapter 3.
- 3.28** The latest draft of the assessment criteria awards a score of 8 or more points to people who are:
 - able to move up to 50 metres but no further (8 points)
 - cannot move up to 50 metres without using an aid or appliance, other than a wheelchair or motorised devices (10 points)

- cannot move up to 50 metres without using a wheelchair propelled by the individual (12 points)
- cannot move up to 50 metres without using a wheelchair propelled by another person or a motorised device (15 points)
- Cannot either:
 - i. move around at all; or
 - ii. transfer unaided from one seated position to another adjacent seated position (15 points).

- 3.29 Option 3 would mean the DfT would amend the regulations governing the Blue Badge scheme to add a new category of person who would be automatically eligible for a Blue Badge without any further assessment by a local authority. The new category would be anyone who receives a score of 8 points or more from Activity 11 – Moving Around only.
- 3.30 Under this option, we would also retain the legislative link between Blue Badge eligibility and DLA, so those HRMCDLA recipients under 16 and DLA recipients who are over 65 on 8 April 2013 would continue to be eligible for a Blue Badge without further assessment.
- 3.31 This criteria would be most similar, but not identical, to the current eligibility criteria under the ‘with further assessment’ categories and would help to restrict eligibility to those applicants who are unable to walk or have very considerable difficulty walking. It would also help to improve consistency between eligibility under the ‘without further assessment’ and ‘with further assessment’ categories.
- 3.32 Based on the indicative modelling that we have carried out, we have estimated the potential costs to local authorities in comparison with the costs of operating the scheme in its current form. If we consider just the costs to local authorities, Option 3 would cost the same as it currently costs them to operate the scheme in its existing form as we would expect the number of eligible badge holders to be similar to what it is now.
- 3.33 In terms of comparing eligibility with the current scheme, as with Option 1, those who are currently awarded HRMCDLA for a mental health condition, intellectual or cognitive impairment conditions but who are able to physically move at least 50m would cease to be automatically eligible for a badge. People who have

difficulty working out or following a route as a result of an enduring mental health condition, intellectual impairment or cognitive impairment would also not be automatically eligible under the 'without further assessment' criteria.

- 3.34 Those applicants who were not automatically eligible under the 'without further assessment' criteria would apply directly to a local authority under the 'with further assessment' criteria and some would be successful. Others, however, would not be eligible unless their condition or illness meant that they were unable to walk or have very considerable difficulty walking. We do not have any estimates of how many people would cease to be automatically eligible but we believe that the majority of those currently automatically eligible would continue to be eligible.
- 3.35 PIP can be awarded to people who have had daily living or mobility needs arising from a condition (or conditions) for three months and are expected to have those needs for a further nine months. People who receive an award based on a score of 8 or more from Activity 11 – Moving Around – could therefore receive it for a period of nine months or more. In these cases, the start and end dates of the Blue Badge would be the same as the period of the PIP award. There would therefore be no impact in terms of a comparison with the current scheme and people who receive a PIP award for a period of less than three years.
- 3.36 We would therefore expect the impact of this Option to be less than Options 1 and 2 in terms of the effects on eligibility and local authority costs. It is likely, however, that some people who are currently eligible for a badge would become ineligible. These are people of working age who currently receive a HRMCDLA for a mental health condition, intellectual or cognitive impairment but who are able to walk.
- 3.37 Because this option is most similar to the current scheme and the potential impacts are minimal, this is the Department for Transport's preferred option at the moment. We will, however, consider this in light of views and comments sent in as part of this consultation.
- 3.38 This option would be dependent on DWP providing sufficient information in the award letters to enable the local authority to identify that a person had an award of 8 or more under Activity 11 – Moving Around.

Consultation Question 4

What are your views on Option 3 – establishing a legislative link between Blue Badge eligibility and a score of 8 or more under the ‘Moving Around’ activity within PIP?

- 4a** Do you think that everyone who scores 8 or more under Activity 11 – Moving Around – within PIP should be automatically eligible for a Blue Badge? Please explain your reason.
- 4b** If this option is taken forward, who do you think will be affected in that they will no longer be automatically eligible for a badge? Do you think that they would be eligible under the ‘with further assessment’ criteria?
- 4c** How many people do you think will be affected by this option?

Other options

3.39 The DfT considers that these three options are the most practical and sustainable solutions to this issue. We would, however, be interested to receive suggestions for other options that could be implemented or could mitigate some of the adverse impacts or affordability issues mentioned above. It is not possible to maintain the status quo given the changes being made to DLA.

Consultation Question 5

Are there any other practical and sustainable solutions that should be considered?

- 5a** What would be the impacts and effects of these options on eligibility, impacts on existing badge holders, local authority costs and the operation of the Blue Badge scheme?

Costs and benefits of options

Consultation Question 6

- 6a** What is your view of the potential costs and benefits of the options that are summarised in Annex A?
- 6b** What is your view of the assumptions used to estimate these costs and benefits?
- 6c** Do you have any relevant data or information to send to the DfT to help with the analysis of options?

4. Consultation questions

Summary of consultation questions

1	What do you think should be the eligibility criteria for a Blue Badge?
1a	Do you think the Blue Badge scheme should be available for people with a mental health condition, intellectual or cognitive impairment but who are able to walk? Please explain your reason.
1b	Do you think the Blue Badge scheme should be targeted at people who are unable to walk or have very considerable difficulty walking? Please explain your reason.
1c	Do you think that there should be both automatic eligibility criteria and criteria that require further assessment and consideration? Or do you think that all applicants should be assessed on the same basis?
2	What are your views on Option 1 – no legislative link between Blue Badge eligibility and PIP?
2a	Do you think that everyone between the ages of 16 and 64 should apply directly for a badge to a local authority under the ‘with further assessment’ criteria? Please explain your reason.
2b	If this option is taken forward, who do you think will be affected in that they will no longer be automatically eligible for a badge? Do you think that they would be eligible under the ‘with further assessment’ criteria?
2c	How many people do you think will be affected by this option in terms of their eligibility?
2d	Do you think this option should be extended to people under 16 and over 65 years of age so that they too would apply under the ‘with further assessment’ criteria? Please explain your reason.
3	What are your views on Option 2 – establishing a legislative link between Blue Badge eligibility and the enhanced mobility component of PIP?

3a	Do you think that everyone who receives the enhanced mobility component of PIP should be automatically eligible for a Blue Badge? Please explain your reason.
3b	If this option is taken forward, who do you think will be affected in that they will become automatically eligible for a badge?
3c	How many people do you think will be affected by this option in terms of their eligibility?
3d	How do you think this option will affect existing badge holders, local authorities and the future sustainability of the Blue Badge scheme?
3e	How do you think this option would affect access to other linked benefits, eg. preferential parking provision in off-street car parks, concessionary travel scheme and the London congestion charge?
4	What are your views on Option 3 – establishing a legislative link between Blue Badge eligibility and a score of 8 or more under the ‘Moving Around’ activity within PIP?
4a	Do you think that everyone who scores 8 or more under Activity 11 – Moving Around – within PIP should be automatically eligible for a Blue Badge? Please explain your reason.
4b	If this option is taken forward, who do you think will be affected in that they will no longer be automatically eligible for a badge? Do you think that they would be eligible under the ‘with further assessment’ criteria?
4c	How many people do you think will be affected by this option?
5	Are there any other practical and sustainable solutions that should be considered?
5a	What would be the impacts and effects of these options on eligibility, impacts on existing badge holders, local authority costs and the operation of the Blue Badge scheme?
6a	What is your view of the potential costs and benefits of the options that are summarised in Annex A?

6b	What is your view of the assumptions used to estimate these costs and benefits?
6c	Do you have any relevant data or information to send to the DfT to help with the analysis of options?

Please provide evidence, including data, to support your views where possible.

5. What will happen next

- 5.1 A summary of responses, including the next steps, will be published within three months of the consultation closing on (web address). Paper copies will be available on request.
- 5.2 The DfT will use the responses to inform its decision about how to deal with the impact of Personal Independence Payments on eligibility for a Blue Badge. Consideration will be given to any changes DWP makes to the proposed assessment criteria as a result of its recent consultation. If necessary, the relevant regulations will be amended in time for the introduction of PIP for new cases from April 2013.
- 5.3 As we have noted in chapter 3, the Government intends to phase in PIP, starting with new claimants from 8 April 2013. During the first few months, the number of new claims will be limited to allow DWP to test systems before all new claims for PIP enter the process on 10 June. DWP plans to reassess existing DLA claimants, starting on 7 October 2013. Again, this process will be phased.
- 5.4 This also means that consequential changes to the Blue Badge scheme will be phased in. There will be cases where people of working age currently have a Blue Badge because they are in receipt of an award under HRMCDLA, but who may not be eligible for a PIP award at the appropriate rate to receive a Blue Badge, or may become ineligible for a Blue Badge at some point in the future as a result of other changes. The changes will affect these badge holders when an existing badge expires. The DfT is not proposing to allow badges to be withdrawn from a particular point in time. The changes will only affect people when they re-apply for a new badge.

Annex A: Summary of estimated potential costs and benefits

Summary of estimated costs of options (2015-16) in £million

- Please note that these estimates are based on a number of assumptions sourced from DfT and DWP datasets. Therefore, these results should be considered indicative.
- The tables provide an estimate of potential costs in 2015-16 as DWP has based its assessment of potential PIP caseloads on what might be the situation in that year, ie full roll-out of PIP. It is not possible to assess annual benefits/costs over time without forecasted annual caseload data from DWP.
- Total figures are rounded to the nearest million and totals may not sum due to rounding.
- Negative figures represent an income, positive figures represent a cost.
- o/w below means 'of which'.

Option 1 – no legislative link with PIP

	Lower Bound	Central Case	Upper Bound
Cost to Local Authority	32.0	28.0	23.0
o/w cost of processing application	6.0	6.0	6.0
o/w cost of assessing applicants	5.0	5.0	5.0
o/w cost of producing badge	2.0	1.0	1.0
o/w badge fee	-3.0	-3.0	-3.0
o/w parking revenue loss	22.0	18.0	14.0
Cost to Applicant	-19	-15.0	-11.0
o/w badge fee	3.0	3.0	3.0
o/w parking charge gain	-22.0	-18.0	-14.0
Total Cost	13.0	13.0	12.0

Option 2 – legislative link with Enhanced Mobility Component of PIP

	Lower Bound	Central Case	Upper Bound
Cost to Local Authority	59.0	66.0	73.0
o/w cost of processing application	9.0	10.0	10.0
o/w cost of assessing applicants	0.3	0.3	0.3
o/w cost of producing badge	3.0	3.0	3.0
o/w badge fee	-6.0	-6.5	-7.0
o/w parking revenue loss	54.0	60.0	66.0
Cost to Applicant	-48.0	-53.0	-59.0
o/w badge fee	6.0	6.5	7.0
o/w parking charge gain	-54.0	-60.0	-66.0
Total Cost	11.0	13.0	14.0

Option 3 – legislative link to score of 8 or more under ‘Moving Around’ descriptor within PIP

	Lower Bound	Central Case	Upper Bound
Cost to Local Authority	38.0	43.0	47.0
o/w cost of processing application	5.5	6.0	7.0
o/w cost of assessing applicants	0.3	0.3	0.3
o/w cost of producing badge	2.0	2.0	2.0
o/w badge fee	-4.0	-4.0	-5.0
o/w parking revenue loss	34.0	39.0	43.0
Cost to Applicant	-30.0	-35.0	-38.0
o/w badge fee	4.0	4.0	5.0
o/w parking charge gain	-34.0	-39.0	-43.0
Total Cost	8.0	8.0	9.0

Estimated cost impact on LAs compared to the costs of administering the existing scheme

Option 1: no legislative link with PIP	£5m-£25m less
Option 2: legislative link with Enhanced Mobility Component of PIP	£15m-£25m more
Option 3: legislative link to score of 8+ under 'Moving Around' activity within PIP	The same

List of main assumptions used to estimate potential costs and benefits

Working Age Welfare Claimants – Great Britain

Number of current HRMCDLA claimants	1,036,000
Of which currently claim a Blue Badge	49%

Source: DfT annual statistics survey:

http://www.dft.gov.uk/statistics?post_type=release&series=disabled-parking-badges

DWP data: <http://research.dwp.gov.uk/asd/>

Blue Badges on issue in Great Britain – used to estimate welfare claimants in England only

Current number of Blue Badges on issue in Great Britain	3,055,000
Of which currently on issue in England	2,550,000
Percentage of total GB on issue in England	83.5%

Source: DfT annual statistics survey:

http://www.dft.gov.uk/statistics?post_type=release&series=disabled-parking-badges

Unit costs in 2012-13 prices

Admin cost per application (Local Authority)	£14.42
Cost of assessing applicant (Local Authority)	£11.80
Cost of producing badge (Local Authority)	£4.60
Badge fee (applicant)	£10.00
Annual parking charge revenue (Local Authority)	£92.80

Source: DfT Impact Assessment, Blue Badge reform programme:
<http://www.dft.gov.uk/publications/blue-badge-reform-impact-assessment>

Actual contract cost of producing badge through the Blue Badge Improvement Service

Application rejection rates

	Lower Bound	Central case	Upper bound
Rejection rate of applications made to local authority	21.6%	26.6%	32.7%

Source: DfT Impact Assessment, Blue Badge reform programme:
<http://www.dft.gov.uk/publications/blue-badge-reform-impact-assessment>

Annex B: Consultation criteria

The consultation is being conducted in line with the Government's Code of Practice on Consultation. The criteria are listed below. A full version of the Code of Practice on Consultation is available on the Better Regulation Executive website at <http://www.bis.gov.uk/files/file47158.pdf>. If you consider that this consultation does not comply with the criteria or have comments about the consultation process please contact:

Consultation Co-ordinator
Department for Transport
Zone 2/25 Great Minster House
33 Horseferry Road
London SW1P 4DR
Email consultation@dft.gsi.gov.uk

Criterion 1 When to consult

Formal consultation should take place at a stage when there is scope to influence the policy outcome.

Criterion 2 Duration of consultation exercises

Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible.

Criterion 3 Clarity of scope and impact

Consultation documents should be clear about the consultation process, what is being proposed, the scope to influence and the expected costs and benefits of the proposals.

Criterion 4 Accessibility of consultation exercises

Consultation exercises should be designed to be accessible to, and clearly targeted at, those people the exercise is intended to reach.

Criterion 5 The burden of consultation

Keeping the burden of consultation to a minimum is essential if consultations are to be effective and if consultees' buy-in to the process is to be obtained.

Criterion 6 Responsiveness of consultation exercises

Consultation responses should be analysed carefully and clear feedback should be provided to participants following the consultation.

Criterion 7 Capacity to consult

Officials running consultations should seek guidance in how to run an effective consultation exercise and share what they have learned from the experience.