

BB 15

Ymchwiliad i Gynllun y Bathodyn Glas yng Nghymru: Cymhwysra a Gweithredu  
Inquiry into the Blue Badge Scheme in Wales: Eligibility and Implementation  
Ymateb gan: Swyddfa Archwilio Cymru  
Response from: Wales Audit Office

**SENT VIA EMAIL: [SeneddCommunities@assembly.wales](mailto:SeneddCommunities@assembly.wales)**

**Date issued:** 1 March 2019

Dear Mr Griffiths

### **Consultation on the Blue Badge Scheme in Wales: Eligibility and Implementation**

I am grateful for the opportunity to respond to the Committee's inquiry into the Blue Badge Scheme in Wales. I regard all aspects of the Committee's terms of reference important areas to consider, however my comments only relate to the practical implementation of the Blue Badge scheme, specifically the risks associated with the scheme and enforcement. I have not commented on the eligibility criteria or support and information available to Blue Badge holders, as we have not examined those matters.

I consider there are substantial risks of fraud and error in the application process for Blue Badges. It is possible that:

- An application could be made for a badge using a false identity;
- People gain a badge through deception at the application stage, by exaggerating or falsifying needs;
- An application could be made for duplicate badges across different local authority areas, for example, an applicant may move areas, forget to cancel their previous badge, and re-apply for another badge in their new area, or may intentionally seek to obtain an additional badge;
- An application could be made by an applicant who does not have the legal right to live or work in the UK.

There are also risks of fraud and error with the usage of badges once issued.

There could be:

- Fraudulent use of badges, for example badges in circulation that have been lost, stolen or belonged to persons who are deceased;
- Inappropriate use by ineligible persons using a badge that belongs to an eligible badge holder, for example, family members using a badge without the eligible badge holder being present in the vehicle;
- Display of cancelled or expired badges.

There are currently controls on managing some of the risks highlighted above. These include checks undertaken by the Blue Badge Improvement Service (BBIS) as well as through the bi-annual UK-wide National Fraud Initiative (NFI) exercise which data-matches blue badge parking permits with the objective of preventing fraud. NFI helps to identify badges which have not been cancelled after the death of the registered owner and where individuals are registered holders of more than one Blue Badge. Having Blue Badges in circulation where there is no ongoing eligibility is a fraud risk. The NFI data matches enable local authorities to cancel Badges which have the potential to be fraudulently used.

The last NFI exercise (NFI 2016-18) resulted in Welsh local authorities cancelling 1,823 Blue Badges. However, this represented less than a third of the Blue Badges NFI identified as requiring cancellation (in most cases due to the death of the holder). While some local authorities proactively review the NFI matches and take appropriate action to cancel Blue Badges that should not be in circulation, it is disappointing that some authorities are not adequately addressing the risk of fraudulent misuse of Blue Badges.

The most recent NFI exercise (2018-20) confirmed that 6094 badges issued by Welsh local authorities should not be in circulation. These are only those badges where it has been positively verified that the holder has died. Many of the badges identified through NFI have remained in circulation for long periods after the holder has died. The latest NFI exercise indicates that there is a significant disparity across Welsh local authorities in respect of the ratio of ineligible badges in circulation per 1000 population, as shown in the attached analysis.

In our view, there is scope to improve consistency and effectiveness of follow up action, to ensure Welsh local authorities cancel badges that should not be in circulation, and therefore address the risk of fraudulent misuse. A more robust approach to checks and controls would help to tackle fraud. The improvement of controls and enforcement against misuse is essential to protect genuine badge holders. Fraudulent use of badges undoubtedly causes problems for the entire scheme, spoiling its reputation and effectiveness. Also, misuse of the scheme is a cost to local government across Wales, as fraud results in a loss of parking revenues for the local authority.

There could be opportunities for improvement through use of existing initiatives. For example, a number of English local authorities are using NFI 'fraud hubs' to obtain early notification of where passes require cancellation. This involves real-time matching of live Blue Badges with other data-sets such as Department of Work and Pensions (DWP) deceased persons records. Using technology in this way would enable a more efficient, comprehensive and timely approach to identifying badges due for cancellation.

The 'Tell Us Once' system is designed so that a local authority can proceed to cancel a badge on the national database once they have received notification that a badge holder has died. Based on the figures from the NFI exercise, clearly there are gaps and inconsistent application of cancellation by authorities. Prompt and consistent use of 'Tell Us Once' data by the public and authorities could reduce some fraudulent activity.

Incorrect display of a badge can result in a Penalty Charge Notice. Enabling Enforcement Officers across Wales to use technology to check the national database against the badge being displayed, would assist with detection of fraudulent use of badges.

I hope this response is useful to the Committee. I should be happy to discuss any of the above matters.

Yours sincerely



Anthony Barrett  
Assistant Auditor General

Encl: NFI analysis of Blue Badge fraud and error for Wales

	<b>Blue Badges in circulation where holder has died</b>	<b>Population 000s</b>	<b>Blue Badges in circulation where holder has died per 1000 population</b>
Anglesey	279	69.8	4.00
Merthyr	233	60	3.88
RCT	803	239.1	3.36
Conwy	357	116.9	3.05
Gwynedd	353	123.7	2.85
Carmarthenshire	460	186.5	2.47
Pembrokeshire	288	124.7	2.31
Bridgend	316	144.3	2.19
Torfaen	162	92.3	1.76
Monmouth	156	93.6	1.67
Flintshire	254	155.2	1.64
Newport	238	151.5	1.57
Powys	204	132.5	1.54
Denbighshire	143	95.2	1.50
Vale of Glamorgan	195	130.7	1.49
Cardiff	531	362.8	1.46
Ceredigion	106	73.1	1.45
Caerphilly	255	180.8	1.41
Neath Port Talbot	196	142.1	1.38
Wrexham	175	135.6	1.29
Swansea	309	245.5	1.26
Blaenau Gwent	81	69.6	1.16
<b>Total</b>	<b>6094</b>		
<b>Source: NFI Web Application: February 2019</b>			