

## **Explanatory Memorandum to Regulations for the Amendment of the Eligibility Criteria for the Blue Badge Scheme**

This Explanatory Memorandum has been prepared by the Department for Economy, Science and Transport and is laid before the National Assembly for Wales in conjunction with the above subordinate legislation and in accordance with Standing Order 27.1

### **Minister's Declaration**

In my view, this Explanatory Memorandum gives a fair and reasonable view of the expected impact of Regulations for the amendment of the eligibility criteria for the Blue Badge Scheme. I am satisfied that the benefits justify the likely costs.

Edwina Hart MBE CStJ AM  
30 March 2016

## **1. Description**

The Disabled Persons (Badges for Motor Vehicles) (Wales) (Amendment) Regulations 2016 (“the 2016 Regulations”) amend the Disabled Persons (Badges for Motor Vehicles) (Wales) Regulations 2000 (“the Principal Regulations”). The purpose of the amendment is to allow for Disabled Persons Parking Badges (“Blue Badges”) to be issued to people with temporary conditions which affect their mobility and will last at least one year.

## **2. Matters of special interest to the Constitutional and Legislative Affairs Committee**

The 2016 Regulations have a longer coming into force period than is generally applied to Welsh Government Regulations. Using the standard coming into force date, the 2016 Regulations would commence after 21 days. This would present operational difficulties, as the Blue Badge Improvement Service (BBIS) would need to upgrade their computer systems to be able to issue badges to people with temporary conditions. To allow sufficient time to make the system upgrade, the coming into force date is 1 October 2016.

## **3. Legislative background**

The power enabling the Welsh Ministers to amend the descriptions of disabled persons set out in the Principal Regulations is contained in section 21 of Chronically Sick and Disabled Persons Act 1970. The functions of the Secretary of State, so far as they are exercisable in relation to Wales, transferred to the National Assembly for Wales by virtue of the National Assembly for Wales (Transfer of Functions) Order 1999 (SI 1996/672, article 2, Schedule 1). These functions were subsequently vested in the Welsh Ministers by virtue of section 162 of, and paragraph 30 of Schedule 11 to, the Government of Wales Act 2006.

Eligibility for Blue Badges is set down in the Principal Regulations, which set out descriptions of disabled persons who are entitled to a Blue Badge. The Blue Badge parking scheme is currently limited to people with permanent impairments.

Regulations in Scotland (The Disabled Persons (Badges for Motor Vehicles) (Scotland) Amendment Regulations 2007 (“the 2007 Scottish regulations”) amended previous Scottish regulations in order to allow Blue Badges to be issued to people with temporary conditions for such a period as a local authority may determine, between a minimum of one and a maximum of three years. The relevant eligibility criteria for temporary conditions in the 2007 Scottish Regulations is “unable to walk or has considerable difficulty in walking by reason of a temporary but substantial disability which is likely to last for a period of at least 12 months”.

The amending regulations seek to make similar amendments to eligibility criteria in Wales.

#### **4. Purpose & intended effect of the legislation**

At present, Blue Badges can only be issued to people whose mobility is permanently impaired. However, there are other temporary conditions and impairments that can severely affect mobility for the duration of the impairment or condition. The Principal Regulations are being amended to allow Blue Badges to be issued for one year to people who are “is unable to walk or has considerable difficulty walking by reason of a temporary but substantial disability which is expected to last for a period of at least 12 months” When the period of issue expires, the holder will be able to reapply for a temporary or permanent badge as they require. It is intended that this will capture people:

- with complex leg fractures with external fixators;
- who have experienced a stroke or head injury and are making a slow but steady recovery;
- with spinal trauma with neurological leg functional loss and are making a slow but steady recovery;
- with severe functional leg impairments, who are awaiting or have undergone joint replacement and have experienced complications or are making a slower recovery than expected.

However, this is not a prescriptive list and there are likely to be other conditions that will be captured by the new eligibility criteria.

There many conditions and impairments which affect mobility temporarily, for instance, lower limb fractures can severely limit mobility. However in the majority of cases such as this, this is usually for a short period of time (approximately three months). Whilst it is accepted that mobility is severely limited in cases such as this, this has to be balanced against the needs of current Blue Badge holders. Therefore, the new eligibility criteria is restricted to those people who have condition which is expected to last at least 12 months. It is important that the changes to the Principal Regulations do not result in an excessive reduction in the availability of designated parking provision on a day to day basis, which is essential to some of the most vulnerable members of society.

The Welsh Government ascribes to the Social Model of disability; access to a Blue Badge is determined by a person’s mobility rather than their impairment or condition. Therefore the description of disabled person in the 2016 Regulations is based on the applicant’s ability to walk, rather than their medical condition or impairment.

We consider that the proposed new criteria would have a limited impact on the number of badges issued. Therefore, it will extend eligibility to people who

would benefit from the scheme, without causing significant detriment to those who are already entitled to a Blue Badge.

## **5. Consultation**

Details of the consultation are set out in the Regulatory Impact Assessment below.

## **PART 2 – REGULATORY IMPACT ASSESSMENT**

### **Options**

The options for extending eligibility criteria for Blue Badges are:

1. Do nothing
2. Extend eligibility for Blue Badges for conditions anticipated to last for a period of less than three years.
3. Extend eligibility for Blue Badges for conditions anticipated to last at least one year but less than three years.

### **Costs & benefits**

#### Option 1 - Do Nothing

At present only those who have a permanent impairment to their mobility are eligible for a Blue Badge. People who experience mobility difficulties, but are expected to make a recovery, are not eligible to apply for a badge.

A Blue Badge enables the holder to park in reserved parking spaces on the street. It allows the holder to park on double or single yellow lines for up to 3 hours. Some local authorities exempt Blue Badge holders from parking meter charges and/or permit Blue Badge holders to park in spaces normally reserved for other users (such as residents parking and loading bays). The scheme does not apply on private roads and in off-street car parks. However, many car park operators provide spaces for people with a Blue Badge.

The benefit of the Blue Badge scheme is that it enables people with impaired mobility to access services and facilities which otherwise would be inaccessible to them. For those who use wheelchairs or bulky medical equipment, the additional width of a disabled parking space enables them to travel independently. Having access to services and facilities such as health centres, shops, offices and so on is essential for disabled peoples' wellbeing; it assists in staying healthy, in finding employment, in living independently and enjoying a good quality of life.

The scheme also makes travelling more affordable for disabled people, as often Blue Badge holders do not have to pay charges when they park on-street and they receive other benefits, such as exemption from bridge tolls. The individual benefit to the holder varies depending on their frequency of travel and their location. Assuming a worker attends work 240 days per year (accounting for holidays, weekends leave and other absences) someone commuting across the Severn Bridge would save £1584 per year in tolls and around £2000 per year in parking charges (calculated at Cardiff Council parking rates).

There are a limited number of designated parking spaces provided, and it is not always possible in practice to provide more depending on the layout of the street or car park. Consultation responses indicate that the lack of availability of Blue Badge spaces is an access barrier for many existing Blue Badge holders. Reserving Blue Badges for those with permanent conditions means that it is more likely that this cohort will be able to access a space when they require one.

Between April 2012, when the Blue Badge Improvement Service began operating and April 2015 approximately 4.5% of the population in both England and Scotland were issued a badge, in comparison to 6.8% in Wales. Between April 2012 and April 2015 229,038 Blue Badges were issued in Wales. There is no data about how many applications for a Blue Badge were declined in this time period. Badges need to be renewed every 3 years, and at this point applicants must reapply and be reassessed before they are awarded a new Badge.

Badges are free to eligible applicants but there is a cost to the local authority of £5.50 per badge to cover the cost of the badge and data sharing system. Local authorities are refunded the costs through the Revenue Support Grant. The Welsh Government transferred £420,000 into the Revenue Support Grant from 2013-14 onwards to meet these costs. The proportion of the money allocated to each local authority is determined by the personal social services revenue support grant so that areas with higher deprivation are awarded a larger share of the total.

The Revenue Support Grant also contributes to the local authorities' costs for assessing and processing Blue Badge applications. Should the local authority require an Occupational Therapist opinion in this assessment, then the applicant can be referred to the Independent Advice Service (IAS). This service is funded by the Welsh Government at a cost of £100,000 per annum plus VAT.

Local authorities in Wales are responsible for the day-to-day administration and enforcement of the scheme. They are responsible for determining and implementing administrative, assessment and enforcement procedures in accordance with the governing legislation. The Welsh Government has produced a Blue Badge Verification Toolkit, and provides non-statutory guidance to assist authorities in delivering the service. Local authorities have flexibility to choose which department the Blue Badge Team sits, some choosing transport, others social services and others in the customer service team.

The Consultation on proposals to extend eligibility for Blue Badges indicated a widespread misunderstanding of the scheme, its benefits and who is eligible for a badge. Under option 1, we would look to hold a communications campaign to increase public awareness of the scheme. The costs of a communication campaign will vary depending on the approach chosen. For reference, a previous Blue Badge campaign to persuade people to not park in disabled spaces without a badge, the 'don't be a space invader' campaign,

cost around £40,000 in 2012. More recently, the cost of producing the awareness videos, published on the Welsh Government website in 2015 was around £25,000.

### Option 2 - Extend eligibility for Blue Badges for conditions anticipated to last for a period of less than three years.

This option would extend Blue Badges to anyone who had difficulty walking due to a temporary condition resulting from illness or injury. Under this option badges could be issued for conditions which would have a medium term impact on mobility, such as people:

- with complex leg fractures with external fixators
- who have experienced a stroke or head injury and are making a slow but steady recovery
- with spinal trauma with neurological leg functional loss and are making a slow but steady recovery
- with severe functional leg impairments who are awaiting or undergone joint replacement and are making a slower recovery than expected

It would also allow for Blue Badges to be issued to people whose mobility is impaired in the shorter term, for example for people:

- with simple leg fractures
- with pregnancy related conditions affecting their mobility
- on waiting lists for surgery or other treatment for conditions which are impairing their mobility
- who have had surgery and will be immobile for a short period while they recuperate.
- Who are receiving high impact medical treatment which affects their period of mobility for a limited period (e.g. chemotherapy)

### **Transition costs**

New guidance will be required to support local authorities in delivering this duty. The Welsh Government would issue supplementary guidance in the short term to support local authorities, then re-issue consolidated guidance in the medium term. There would also need to be training for local authority staff to understand the new criteria. These activities could be managed within existing Government resources. Producing supplementary guidance should take approximately 4 days of staff time, costing approximately £600. Training sessions will need to explain how the Badges are to be issued in a range of circumstances for many different conditions. This could require training

seminars to be run. These could cost approximately £500 in Welsh Government staff time, plus the cost to the local authority of their staff attending. These costs will vary depending on how the local authority's staffing structure is arranged to assess Blue Badges, and how much individual staff are paid. The IAS will also require training, so there will be costs for their staff to attend a seminar.

There would need to be the option of awarding a Blue Badge for a specific period of time depending on the applicant's need. The BBIS software would need to be amended to allow each local authority in Wales to process applications for badges under the temporary criteria, and set the expiry date for each Blue Badge individually. Amending the software is anticipated to cost up to £26,400 (£1,000 +VAT per local authority).

There would also need to be a communications campaign to inform the general public of the changes. This option would extend eligibility widely, so would require a broad campaign (as opposed to a narrow campaign directly targeting specific people). Activities could include a poster and leaflet campaign at treatment centres for those affected by such conditions, including maternity units, fracture clinics and rehabilitation units. The cost of this option is likely to be similar to the cost of promoting the existing scheme, as set out in option 1.

### **Recurrent Costs**

It is not clear how many people might fall into the category of temporarily immobilised for less than three years. In 2012/13 there were 78,000 admissions to hospital under the trauma and orthopaedic category and 11,600 for hip and knee replacements. Potentially this option could extend eligibility for a Blue Badge to tens of thousands of people, which would have a serious impact on the availability of disabled parking spaces.

There would be a substantial increase in the numbers of applications made for Blue Badges, putting strain on local authority services to process these applications, and IAS if cases are transferred. Assessing each application would be further complicated by the need to determine the appropriate period for each badge to be issued. The additional administrative burden would require additional funding, at a time when local authority budgets are being reduced. It could also lead to a poorer service for applicants for Blue Badges, who might encounter delays in processing their applications due to an increased workload.

Administration costs vary between local authorities, depending on the process they have adopted to assess applications. Costs also vary depending on whether the badge is processed under the automatic criteria, via desk based assessment, by GP assessment, or by referral to an occupational therapist or IAS. There is therefore no standard administration cost for issuing a badge, but in 2010 costs were found to vary from between £14 to £50 per assessment. This equates to a cost of £15 to £54 in current prices. If all of the 78,000 admissions to hospital under the trauma and orthopaedic category

and 11,600 for hip and knee replacements applied for a Blue Badge then the administrative cost would be between £1.3 million and £4.8 million. The number of assessments exceeds the number of badges issued, as a portion of the assessments will conclude that the applicant is not eligible.

Badges are free to eligible applicants but there is a cost to the local authority of £5.50 per badge for the cost of the badge and data sharing system. Local authorities are refunded the costs through the Revenue Support Grant, by a transfer of £420,000 into the Revenue Support Grant from 2013-14 onwards. Increasing the eligibility would increase the number of badges issued, meaning that local authorities would face an increased financial burden as a result. If between 50% and 75% of the 78,000 admissions to hospital under the trauma and orthopaedic category and 11,600 for hip and knee replacements applied for a Blue Badge and were awarded one, then the costs for issuing badges would increase by between £246,000 and £369,000, or £11,200 to £16,800 per local authority.

There may also be an increase in costs for addressing complaints for those whose application has been rejected. There is no formal appeal system for those declined, so those who wish to challenge the decision will generally use the local authorities' complaints system.

While processing times vary across local authorities, the average time to process can range from days to 12 weeks in some cases where further information has been sought from a person's GP, and this can be longer if the applicant needs to be referred to the Independent Assessment Service. A simple leg fracture could impair someone's mobility for 4-6 weeks, so even though the applicant in this case would be eligible for a badge, they are unlikely to receive one in time. Likewise certain pregnancy related conditions, such as Pubic Symphysis (1,100 hospital admissions in 2012/13), can cause mobility difficulties, but unless these conditions presented very early in the pregnancy it would be difficult to make a badge available before the applicant's condition was resolved by giving birth. Therefore, this option presents practical difficulties, potentially causing frustration and disappointment among applicants, who would be denied a badge due to timescales for processing applications.

It might be possible to develop a fast track procedure for short term conditions, for example on the basis of a referral from a consultant or midwife. However, reducing the rigorousness of the assessments could create opportunities for Blue Badge fraud or misuse and promote inconsistencies.

Increasing the eligibility in this way could also increase the opportunities for fraud and misuse of badges, because they are more readily available and because there will be more expired badges in circulation. Very few badges are returned once they have expired and this is an area with scope for misuse of a badge. In one local authority where there are 11,000 badges on issue, over a period of years only three badges were returned because the holder no longer needed the concession.

The Blue Badge is recognised in all European countries and allows holders to make use of the same parking concessions as the country's own citizens with a disability. Parking concessions for holders of a disabled parking card differ from country to country, and eligibility for a badge differs within the UK. Extending eligibility so widely may cause difficulties in these reciprocal arrangements, particularly in the border regions where many Welsh badge holders may be seeking to park in England on a regular basis. Welsh badges are produced to the same format as badges in England and Scotland, but they are easily identifiable as they are bilingual. Extending the eligibility so widely could bring the Welsh Blue Badge scheme into disrepute, especially if extended eligibility brings greater opportunities for fraud and misuse.

## **Benefits**

People who have limited mobility for even a short period would benefit from access to disabled parking spaces and other concessions. It could facilitate their recovery by making it easier for them to get to medical appointments for example. Extending the eligibility criteria would also capture people on waiting lists whose waiting time is uncertain (e.g. people who need to lose a certain amount of weight before they can have surgery, or they are on a waiting list for an organ transplant), and people receiving high impact medical treatment (e.g. chemotherapy) over a period of a few months who may not make a full recovery rapidly. Some "temporary" conditions can last a couple of years, which is a considerable period of time and this can have a severe impact on quality of life. Extending eligibility would provide more certainty for people in this situation.

### Option 3 – Extend eligibility for Blue Badges for conditions anticipated to last between one to three years

This option would extend Blue Badges to anyone who had difficulty walking due a temporary condition resulting from illness or injury. Under this option badges could be issued for conditions which would have a medium term impact on mobility, such as people:

- with complex leg fractures with external fixators
- who have experienced a stroke or head injury and are making a slow but steady recovery
- with spinal trauma with neurological leg functional loss and are making a slow but steady recovery
- with severe functional leg impairments who are awaiting or undergone joint replacement and are making a slower recovery than expected

Under this option, the applicant would need to have impaired mobility for longer than a year. However, they would not need to wait a year before applying for a badge. Under this option, temporary Blue Badges would be

issued for a year at a time, with the option of reapplying if the period of need extends beyond one year.

Someone would be considered disabled under the Equality Act 2010 if they have a physical or mental impairment that has a 'substantial' and 'long-term' negative effect on their ability to do normal daily activities. 'Substantial' is more than minor or trivial and 'long-term' means 12 months or more. This option therefore fits with the Equalities Act 2010 approach to disability.

A review of the Scheme was announced in November 1999 following consideration of the Disabled Persons Transport Advisory Committee DPTAC report calling for a review of the Scheme.

During 2000/01 MVA Consultancy Ltd working on behalf of the Department for Transport, Local Government and the Regions (DTLR), arranged a number of focus groups, at both local and national level, to discuss the broad shape for the Disabled Persons Parking Scheme. The groups brought together key stakeholders, including individual users of the Scheme, but there was no consensus on what changes needed to be made. However, the findings were used to inform the discussion paper issued by DTLR. The DPTAC recommendations are based on responses to the consultation carried out between December 2001 and April 2002 on the DTLR discussion paper '*Review of the Disabled Persons Parking Scheme discussion paper*'.

The '*Review of the Disabled Persons Parking Scheme (The Blue Badge Scheme) Recommendations for change*' by DPTAC published April 2002 considered the need for temporary badges. This review recommended that "*Temporary Badges should be available for people with a clearly defined temporary mobility impairment for a period...over 12 months but less than 3 years but requiring an independent mobility assessment.* DPTAC found consensus that temporary Badges would be particularly appropriate for those awaiting major operations such as hip or knee replacement or heart surgery although a small minority are strongly opposed. They found all agree that eligibility needs to be clearly defined to ensure against abuse and applicants would need an independent mobility assessment.

DPTAC recommended that the criteria for those eligible under further assessment is linked to an independent mobility assessment. The assessment undertaken by an accredited health professional should indicate the expected period of need if people are likely to improve. However, DPTAC considered there to be no need to distinguish those qualifying for a shorter period as their need is the same at that time. We also consider it impractical to issue Badges for less than 12 months and this would be the minimum period for which a Badge is considered.

In May 2015 the Minister for Science, Economy and Transport commissioned a Task & Finish Group to review the Blue Badge Scheme in its entirety. The group was commissioned with a remit to deliver an interim report in July 2015 and a full report of findings by November 2015. The interim report set out the evidence gathered to date. The final report contained a recommendation that

'The Welsh Government should consider providing a temporary badge system where qualifying conditions are likely to last at least 12 months.'

### **Transition costs**

We are proposing that temporary badges are issued for a period of one year, with the opportunity to reapply for a temporary or permanent badge when they expire. As with option 2, the BBIS software would need to be amended to allow badges to be issued for a shorter time period. Amending the software is anticipated to cost up to £26,400 (£1,000 +VAT per local authority).

As with option 2, new guidance will be required to support local authorities in delivering this duty. The Welsh Government would issue supplementary guidance in the short term to support local authorities, then re-issue consolidated guidance in the medium term. Producing supplementary guidance should take approximately 4 days of staff time, costing approximately £600.

There may also need to be training for local authority staff to understand the new criteria, but under this option the criteria will be very similar to the current model. These activities could be managed within existing Government resources. This could require training seminars to be run. These could cost approximately £500 in Welsh Government staff time, plus the cost to the local authority of their staff attending. These costs will vary depending on how the local authority's staffing structure is arranged to assess Blue Badges, and how much individual staff are paid. The IAS will also require training, so there will be costs for their staff to attend a seminar. However, we consider it unlikely that local authority staff and IAS will feel that training is necessary to understand the extension of eligibility.

There would also need to be a communications campaign to inform the general public of the changes. This option would extend eligibility more narrowly than option 2, so the campaign would be more targeted. Activities could include a poster and leaflet campaign at treatment centres for those affected by such conditions, including stroke clinics and rehabilitation units. The cost of this option is likely to be less than the scheme set out in option 1, though this would depend on the methods of communication which were used.

### **Recurrent costs**

This option would lead to an increase in the number of applications for Blue Badges, particularly in the early stages of extending eligibility when people may misunderstand what kinds of conditions are covered. This will increase the administrative burden on local authorities. This option will also require independent assessments and this will have a year on year cost. This option has a fixed issue period for a temporary Blue Badge, which makes it a less complex option than option 2. While it is not clear how many applications will be received in this Option, it is expected to be much lower than Option 2. It follows then that the administrative costs are expected to be significantly

lower in this Option than the £1.3 million to £4.8 million identified under Option 2.

During 2012-13 Scotland issued 1,164 Badges under the temporary impairment category (1.35% of the badges issued that year). The assessment of discretionary applications in Scotland is undertaken by Independent Medical Assessments and has minimal impact on local authority resources. The exact extent of the impact that extending eligibility in this way will have on people in Wales is unknown. A higher proportion of the population of Wales have Blue Badges than in Scotland, and there may be demographic difference meaning that a higher proportion of people in Wales would be eligible for temporary badges than in Scotland. However, considering the impact in Scotland as a rough guide, it is not anticipated that this change will result in a significant increase in badges issued. Therefore it would be unlikely to have a disproportionately negative impact on current parking provision, or generate significant additional costs in terms of badges awarded.

As the impact of the Regulations on the number of badges issued is difficult to predict, it is appropriate to consider a broad range based around the Scottish figure of 1.35%. An increase of 1% to 2.5% per annum (approximately. 750 - 2,000 (rounded) more badges issued each year) would increase costs for issuing badges by £4,125 - £11,000. This equates to £187.50 - £500 extra per local authority, though in practice local authorities will not all receive the same number of applications each year.

As with Option 2, this approach might cause difficulties in reciprocal arrangements with other European countries. However, Scotland already allows badges to be awarded for temporary conditions so this is unlikely. One disadvantage is that those who have severe impairments for less than 12 months would not be able to access disabled parking, even though their mobility is such that they would be entitled to a Blue Badge if their condition was permanent.

### **Benefits**

People who have limited mobility for a temporary period would benefit from access to disabled parking spaces and other concessions. It could facilitate their recovery by making it easier for them to get to medical appointments for example. Some “temporary” conditions can last a couple of years, which is a considerable period of time and this can have a severe impact on quality of life and social interactions. In some circumstances the length of recovery time will be uncertain, extending the eligibility for Blue Badges in this way will give people in that position more certainty about access to the Blue Badge scheme.

The narrower band of people eligible to apply for a Blue Badge under this Option means that it is considered less likely to impact on current parking provision (compared to Option 2) and is therefore less likely to have a negative impact on existing Blue Badge holders.

## **Summary of the preferred option**

The preferred option is 3. This option extends the eligibility to those who are facing a long recovery period from a temporary impairment, who will benefit from the concessions that the Blue Badge offers. It will make it easier for them to access the services and facilities, such as medical appointments, which aid their recovery. Option 3 presents fewer practical barriers to delivery, as Option 2 could require different approaches to assessment of applications, and operational decisions to be made about the length of time for issue. Option 3 is more straightforward, requiring that applicants meet the threshold of mobility impairments required for a Blue Badge for at least a year. It is therefore considered to be a more proportionate approach.

Option 3 is less detrimental to existing Badge holders than Option 2. It is unlikely that there will be sufficient additional Blue Badges awarded to impact significantly on the availability of disabled car parking spaces. Option 3 also creates fewer opportunities for Blue Badges to be abused than Option 2, with a lower risk of fraud. Option 3 provisions match those that currently exist in Scotland, demonstrating that option 3 has a low risk of threatening the current reciprocal arrangements for accepting Blue Badges in other UK nations and European countries.

Both Option 2 and 3 have the same transitional costs, to develop guidance and training, and upgrade the BBIS software. However, Option 3 is expected to have lower recurrent costs than option 2, making it more feasible to deliver and meaning that the benefits are more likely to outweigh the costs.

## **Consultation**

The Task and Finish Group recommendations were published in December 2015, along with the Welsh Government's responses to the recommendations. The Welsh Government accepted the recommendation to consider the introduction of temporary badges. A public consultation on the option to change the eligibility criteria in this way ran from 12 January to 16 February 2016. 85 responses were received. The responses were analysed and this analysis were published March 2016.

There was nothing in the consultation responses that indicated that the proposed content of the Regulations requires changes. However, the opposition from existing badge holders, and the reservations expressed by respondents in support of the proposal suggested that other action needs to be taken alongside the Regulations to prevent applicants facing greater barriers to access, either from increased pressure on parking spaces or greater difficulties in getting a badge due to strain on the administration.

To address these concerns additional funding is being made available to local authorities for increased administration costs. Action is also being taken to strengthen enforcement and tackle misuse of Blue Badges, ensuring that spaces are available only for those who need them.

## **Competition Assessment**

Please see the competition filter below.

### **Post implementation review**

An Implementation Group has been established to oversee the implementation of the Task and Finish Groups' recommendations. This group consists of the same membership as the Task and Finish Group to provide continuity. They have been monitoring progress on making the Regulations, and will be continuing to oversee how the Regulations are implemented across Wales.

The BBIS collects statistical data on awarding of Blue Badges across Wales. This data provided on an all-Wales basis is regularly accessed and reviewed by the Welsh Government. This data allows the Welsh Government to monitor how the Regulations are affecting the number of Blue Badges awarded and assess the impact of the Regulations.

## **APPENDIX A**

### **The Competition Assessment**

#### **The competition filter test**

The filter test indicates that there are no negative impacts on competition. This is because there is no commercial market associated with Blue Badges. There is a single service provider for the Blue Badge Improvement Service, provided under contract with the Department for Transport. Northgate hold the current contract. When the contract expires it is anticipated that it will be re-let through the normal government procedures.

| The competition filter test  |                     |
|--|---------------------|
| Question   | Answer<br>yes or no |
| <b>Q1:</b> In the market(s) affected by the new regulation, does any firm have more than 10% market share?                               | No                  |
| <b>Q2:</b> In the market(s) affected by the new regulation, does any firm have more than 20% market share?                               | No                  |
| <b>Q3:</b> In the market(s) affected by the new regulation, do the largest three firms together have at least 50% market share?          | No                  |
| <b>Q4:</b> Would the costs of the regulation affect some firms substantially more than others?   | No                  |
| <b>Q5:</b> Is the regulation likely to affect the market structure, changing the number or size of businesses/organisation?              | No                  |
| <b>Q6:</b> Would the regulation lead to higher set-up costs for new or potential suppliers that existing suppliers do not have to meet?  | No                  |
| <b>Q7:</b> Would the regulation lead to higher ongoing costs for new or potential suppliers that existing suppliers do not have to meet? | No                  |
| <b>Q8:</b> Is the sector characterised by rapid technological change?  | No                  |
| <b>Q9:</b> Would the regulation restrict the ability of suppliers to choose the price, quality, range or location of their products?     | No                  |