Summary:
Blue badge fraud is estimated to cost the country £46 million per annum at 2013 levels. A significant amount of this cost is lost parking income, as blue badge users can park for free in Council parking spaces and on some yellow line parking restrictions.

There are currently over 24,000 Blue Badges in circulation within Sheffield. 225 of these belong to organisations and the remainder are individual badges. The blue badge scheme is administered by Customer Services.

Neighbouring Councils report increases in pay and display income once prosecutions of blue badge fraud have begun to take place and have been publicised.

Implementing an anti-fraud initiative would provide a number of benefits:

- Improved public confidence in the blue badge scheme. There is widespread public suspicion of blue badge users due to the perception of fraudulent use. Prosecution of fraudsters is likely to be popular with the public and genuine blue badge users. It will attract positive media interest.

- Improved availability of disabled parking spaces for genuine blue badge users. Specific disabled parking bays are set aside in on and off street parking locations. Blue badge users can also park on some yellow line restrictions where there are not any loading restrictions. Significantly
reducing fraudulent use would improve the availability of these places for genuine users.

- Improved public confidence in the Council firmly tackling wrongdoing.
- Reduced Council administration costs. Those caught fraudulently using blue badges would have them confiscated, so the number of blue badges in use could be expected to reduce. Some blue badge users have had their badges withdrawn as a result of prosecutions. Highly publicised prosecutions will have a deterrent effect and badges which were no longer required (for example because of the death of the owner) will be more likely to be handed in.
- Increased parking income. Many of those fraudsters who are currently parking for free would become aware of the threat of prosecution and feel obliged to pay for parking in the future. This could have a significantly positive impact on pay and display parking income, which is currently circa £4m per annum.

Reasons for Recommendations:

Prosecuting fraudsters in court, with a potential fine of up to £1000 plus costs is proven to reduce the incidence of fraudulent blue badge use.

The scheme described in this report will be a deterrent to fraudulent blue badge use.

The enforcement scheme will improve the availability of convenient parking spaces for legitimate blue badge holders

The scheme will improve public confidence in the blue badge scheme and furthermore improve public confidence that the Council is addressing wrongdoing

The enforcement scheme is expected to result in increased pay and display parking income.

Recommendations:

Approve the implementation of the blue badge fraud enforcement scheme.

Background Papers: N/A

Category of Report: OPEN
## Statutory and Council Policy Checklist

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<td>YES</td>
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<td>Cleared by: Louise Bate</td>
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### Area(s) Affected
- All

### Relevant Cabinet Portfolio Lead
Councillor Mazher Iqbal

### Relevant Scrutiny Committee
Economic and Environmental Wellbeing

### Is the item a matter which is reserved for approval by the City Council?
- NO

### Press Release
- YES
REPORT TO THE DIRECTOR OF DEVELOPMENT SERVICES

BLUE BADGE FRAUD ENFORCEMENT

1.0 SUMMARY

1.1 This report proposes the adoption of an anti-fraud initiative involving the prosecution of drivers found misusing blue disabled parking badges.

2.0 WHAT DOES THIS MEAN FOR SHEFFIELD PEOPLE

Implementing an anti-fraud initiative will provide a number of benefits:

2.1 Improved public confidence in the blue badge scheme. There is widespread public suspicion of blue badge users due to the perception of fraudulent use. Prosecution of fraudsters is likely to be popular with the public and genuine blue badge users. It will attract positive media interest.

2.2 Improved availability of disabled parking spaces for genuine blue badge users. Specific disabled parking bays are set aside in on and off street parking locations. Blue badge users can also park on some yellow line restrictions where there are not any loading restrictions. Significantly reducing fraudulent use would improve the availability of these places for genuine users.

2.3 Improved public confidence in the Council firmly tackling wrongdoing.

2.4 Reduced Council administration costs. Those caught fraudulently using blue badges would have them confiscated, so the number of blue badges in use could be expected to reduce. Some blue badge users have had their badges withdrawn as a result of prosecutions. Highly publicised prosecutions will have a deterrent effect and badges which were no longer required (for example because of the death of the owner) will be more likely to be handed in.

2.5 Increased parking income. Many of those fraudsters who are currently parking for free would become aware of the threat of prosecution and feel obliged to pay for parking in the future. This could have a significantly positive impact on pay and display parking income, which is currently circa £4m per annum.

3.0 OUTCOME AND SUSTAINABILITY

3.1 The operation of on and off street parking spaces; the management of parking through the introduction of parking restrictions; and the use of parking permits contributes to the management of traffic in the city. Effective traffic management and parking management is a key part of the Sheffield City Region (SCR) Transport Strategy, a statutory document that sets out how transport will help support the development of SCR over the next 15 years.
3.2 Traffic management through parking restrictions and their enforcement also enables the Council to help deliver its “Vision for Excellent Transport in Sheffield”, by investing in facilities to enable people to make informed choices about the way they travel and helping transport contribute to the social, economic and environmental improvements we want to happen in the City.

4.0 MAIN BODY OF THE REPORT
Including Legal, Financial and all other relevant implications (if any)

Introduction

4.1 Blue Badges are issued to people with disabilities under a national scheme. The badge allows the vehicle being used by the badge holder to park in certain restricted areas, such as on single or double yellow lines which do not have loading restrictions. They also allow the user to park in all Council operated on and off street pay and display parking spaces without charge. The blue badge should only be used when the badge holder is present or is being picked up.

4.2 Fraudulent use of blue badges has become endemic and in 2013 it was estimated to be costing the country £46 million per annum.

4.3 There are over 24,000 blue badge holders within Sheffield and many blue badge holders from outside the city use them within our area.

4.4 Currently, where the Council’s Civil Enforcement Officers (CEO’s), who enforce parking restrictions, observe inappropriate use of a blue badge, they can issue a penalty charge notice appropriate to the contravention of waiting restrictions (up to £35 for early payment) and ask the driver to hand over the blue badge, which is then returned to the Council team who administer them. Blue Badges are then returned to the badge holder with an advisory letter.

4.5 Powers are available to the Council to prosecute drivers who misuse blue badges. This involves prosecution in court, with a fine of up to £1000 plus costs. A penalty charge notice is also issued to the vehicle involved in the misuse.

4.6 Councils who have introduced blue badge fraud enforcement report that there is a significant deterrent effect, which is confirmed by increases in pay and display income which can be directly attributed to the initiative.

4.7 Deterring fraudulent use also frees up parking spaces for use by legitimate blue badge holders.

Proposal and Consultation
It is proposed that the Council should commence prosecution of drivers who are detected fraudulently using blue badges, utilising the powers contained in Section 117 of the Road Traffic Regulation Act 1984 or other relevant legislation as appropriate to each case.

This involves setting up a small investigation team. The Team will initially consist of six officers who will carry out the work on a part time basis alongside their normal duties. The team will report to the Transport Traffic & Parking Services (TT&PS) Business Manager.

Offences are normally detected and reported by CEOs in the course of their duties. Relevant documentation will be completed by the CEOs and forwarded to the investigation team.

If the investigation team consider that there is a potential case and further investigation is needed, they will invite the driver to attend Howden House for interview under caution.

Once the interview has been completed and any further investigations carried out, a decision is then taken by the investigation team, in consultation with the Legal team if required, on whether the case should be progressed.

Any cases which are approved for progression will then be handed to the legal team, who will instigate legal proceedings.

Customer Services, who administer the Blue Badge scheme will be kept advised of the outcome of cases.

Consultation on this initiative is not required as it involves utilising a power which is already available to local authorities. Consultation was carried out by the government before enacting the legislation which enabled local authorities to carry out this type of enforcement.

A communications plan will be implemented as part of the scheme, involving media releases and information on the Council website and intranet.

**Relevant Implications**

**Financial**

The costs involved in setting up the anti-fraud initiative are modest. The small, part time investigation team are to be trained and mentored by staff from other, in-house services already carrying out interviews under caution for similar types of prosecution.

The blue badge fraud investigation team will make use of interview recording equipment already owned by the Environmental Protection service.
4.19 All staff time involved in investigation and prosecution of offences will be recharged to the Parking Services budget. The staff in the investigation team will work on this initiative part time and it is envisaged that it will involve a day or two of their time per month, which can be fitted in with their normal duties.

4.20 Fines levied by the courts do not come to the Council but the Council will receive costs awarded by the courts following successful prosecutions. This will go some way to covering the staff costs involved, but it is not anticipated they will fully cover all such costs. It is anticipated that the uplift in pay and display income will more than cover any costs which are not covered by court awards.

4.21 Experience in local authorities who have implemented blue badge fraud enforcement indicate that a substantial uplift of pay and display income can be expected.

Legal

4.22 The Council, as the Highways Authority for Sheffield, has the power under section 117 of the Road Traffic Regulation Act 1984 to prosecute the drivers of vehicles who fraudulently use blue badges.

4.23 It may occasionally be necessary to utilise other powers, such as those contained in section 3 of the Fraud Act 2006, to prosecute the blue badge holder when the driver of the vehicle cannot be identified and the blue badge holder declines to name them. Such cases are expected to be extremely rare, and: on summary conviction are punishable by imprisonment for a term not exceeding 12 months, a fine not exceeding £1,000, or both; on indictment are punishable by imprisonment for a term not exceeding 10 years, an unlimited fine, or both.

Equality Impact Assessment

4.24 An EIA (reference 694) has been carried out this proposed scheme. Overall there are no significant differential equality impacts. However it should be positive for people with disabilities as the anti-fraud initiative should improve public confidence that blue badges are in fact being used correctly. It should also improve the prospects of people in genuine need accessing parking spaces where they need them most.

4.25 Evidence from other authorities who have commenced prosecution of fraudulent use indicates that they have seen positive media interest in the blue badge fraud enforcement scheme, which can be expected to result in improved public confidence and increased pay and display parking income.
5.0 ALTERNATIVE OPTIONS CONSIDERED

5.1 The alternative is to do nothing and continue with using existing powers to issue penalty charge notices to vehicles in which blue badges are seen to be misused. This is not viewed as being an effective deterrent to fraudulent use as the penalties involved (maximum £70 or £35 for early payment) are very modest and do not receive any publicity. The fact that a very small team of CEO’s issued 120 penalties for blue badge misuse in a ten month period, confirms that significant ongoing blue badge misuse is taking place in Sheffield.

6.0 REASONS FOR RECOMMENDATIONS

6.1 Prosecuting fraudsters in court, with a potential fine of up to £1000 plus costs is proven to reduce the incidence of fraudulent blue badge use.

6.2 The scheme described in this report will be a deterrent to fraudulent blue badge use.

6.3 The enforcement scheme will improve the availability of convenient parking spaces for legitimate blue badge holders

6.4 The scheme will improve public confidence in the blue badge scheme and furthermore improve public confidence that the Council is addressing wrongdoing

6.5 The enforcement scheme is expected to result in increased pay and display parking income.

7.0 REASONS FOR EXEMPTION (if a Closed report)

7.1 N/A

8.0 RECOMMENDATIONS

8.1 Approve the implementation of the blue badge fraud enforcement scheme.

Paul Fell
Transport Traffic & Parking Services Business Manager

Ben Brailsford
Parking Services Manager

Date: 16 June 2016