

## **AUDIT REPORT 24'010**

### **DISABLED PARKING PERMIT SCHEME**

#### **Executive Summary**

The annual audit plan for 2023/24 provides for an audit review of the arrangements for managing the Disabled Parking Permit Scheme. Disabled parking permits, also known as blue badges, allow eligible people to park close to amenities they would otherwise have difficulty accessing. Local authorities are responsible for the day-to-day administration and enforcement of the scheme. However, the framework for the scheme is set by Transport Scotland, in addition to providing support to assist in consistent operating practices across all local authorities. A blue badge is subject to a charge of £20 and can be valid for up to three years.

The scope of this audit was to review systems and procedures in the administration of the Disabled Parking Permit Scheme. This included the processes for assessment, management and investigation of blue badge misuse. The expenditure for providing the service relates mainly to staffing and the cost of producing badges from approved suppliers. The Council issues approximately 1700 blue badges annually with an income of £29,000 collected in 2022/23.

The audit was carried out in accordance with Public Sector Internal Audit Standards (PSIAS).

The key areas identified for management attention include the following:-

- The Moray Council Financial Regulations detail that invoices must be raised within one month of providing goods or services. Once a blue badge is issued, an invoice of £20 should be issued to the applicant. Audit testing found that the Service did not raise invoices until several months after issuing the blue badge. It was noted that over recent years there have been significant increases in the number of applications received for blue badges, but staffing levels have remained unchanged. However, to ensure effective income collection arrangements and compliance with the Council's Financial Regulations, invoices should be raised promptly once the blue badge has been issued.
- Analysis of the Financial Management System noted a shortfall of approximately £24,000 in the income received compared to the blue badges issued. Further investigation noted that there were approximately 1200 blue badges provided to applicants in 2020 and 2021, where no invoices had been issued. Explanation sought as to why no invoices had been raised revealed this was due to workload issues and the extraordinary challenges faced by the Service during the pandemic. Invoices should be raised for these blue badges issued in 2020 and 2021 as a matter of urgency.

- Audit testing noted that the Service is following Transport Scotland Guidelines in assessing eligibility and managing the Disabled Parking Permits Scheme. However, it was found that the Blue Badge Scheme Policy was last updated in 2013. Policies and procedures should be updated to reflect current operating practices and legislation.

The Internal Audit Section provides Management with an opinion on the internal control environment and also categories risk ratings for recommendations as high, medium or low. The audit recommendations for this review have been classified as follows:

<b>Risk Ratings for Recommendations</b>		
<b>High</b>	<b>Medium</b>	<b>Low</b>
Key controls absent, not being operated as designed or could be improved. Urgent attention required.	Less critically important controls absent, not being operated as designed or could be improved.	Lower level controls absent, not being operated as designed or could be improved.
<b>2</b>	<b>2</b>	<b>1</b>

## Recommendations

Risk Ratings for Recommendations						
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	Medium	Less critically important controls absent, not being operated as designed or could be improved.	Low	Lower level controls absent, not being operated as designed or could be improved.	
No.	Audit Recommendation	Priority	Accepted (Yes/ No)	Comments	Responsible Officer	Timescale for Implementation
<b>Key Control:</b> Effective management controls operate to ensure the delivery of the Disabled Parking Permit System is in accordance with Transport Scotland Guidelines.						
5.01	The Blue Badge Scheme Policy should be reviewed and updated. This should include reference to responsibility for investigating misuse and arrangements if required to cancel a service users blue badge.	Medium	Yes	The Blue Badge Scheme Policy will be updated to ensure all aspects of the service and its processes are incorporated, including badge misuse arrangements.	Interim Community Care Finance Officer/Support Manager	31/03/2024
5.02	All service users identified that have received a blue badge in 2020 a 2021 but not billed should be invoiced as a matter of priority.	High	Yes	Work is underway to review un-invoiced applications from 2020 and 2021 to establish the current position. On	Commissioning Manager	31/01/2024

Risk Ratings for Recommendations						
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	Medium	Less critically important controls absent, not being operated as designed or could be improved.	Low	Lower level controls absent, not being operated as designed or could be improved.	
No.	Audit Recommendation	Priority	Accepted (Yes/ No)	Comments	Responsible Officer	Timescale for Implementation
				completion of this review, invoices will be raised for all outstanding approved blue badges issued from this period.		
<b>5.03</b>	In accordance with Financial Regulations, service users should be invoiced within one month of receiving a blue badge. An action plan should also be agreed to resolve any backlog of blue badges issued to applicants who have yet to be invoiced.  The audit review noted that the fee for a blue badge is payable on application in some Local	Medium	Yes	An action plan is now in place to clear the current year invoice backlog, staff time has been ring fenced to facilitate this. All new applications are being invoiced within one month.	Interim Community Care Finance Officer/Support Manager	31/08/2023
		Low	Yes	Discussions are currently underway between the	Interim Community Care Finance	31/12/2023

Risk Ratings for Recommendations						
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	Medium	Less critically important controls absent, not being operated as designed or could be improved.	Low	Lower level controls absent, not being operated as designed or could be improved.	
No.	Audit Recommendation	Priority	Accepted (Yes/ No)	Comments	Responsible Officer	Timescale for Implementation
	Authorities. Consideration should be given to investigating the option for an individual to pay the charge for a blue badge on completion of the application form.			Community Care Finance team, the Payments team and Senior Management to develop the option of up-front payment for blue badges.	Officer/Support Manager	
<b>5.04</b>	All sensitive personal data held within the Community Care Finance Office should be stored securely with access restricted to only authorised officers.	High	Yes	There will be a purchase of lockable filing cabinets to replace those which are non-lockable and all staff will attend data protection training and be reminded of the clear desk policy with immediate effect. The lock on the door will be used without delay and	Interim Community Care Finance Officer/Support Manager	31/08/2023

Risk Ratings for Recommendations						
High	Key controls absent, not being operated as designed or could be improved. Urgent attention required.	Medium	Less critically important controls absent, not being operated as designed or could be improved.	Low	Lower level controls absent, not being operated as designed or could be improved.	
No.	Audit Recommendation	Priority	Accepted (Yes/ No)	Comments	Responsible Officer	Timescale for Implementation
				without exception.		