

London Councils' Transport and Environment Committee Executive Sub-Committee

Freedom Pass Eligibility Documentation and Processes Item 6

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Date: 14 November 2019
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Summary: This report sets out several changes designed to improve London Councils' assessment of Freedom Pass applicants' eligibility for the scheme. It also considers measures that can be taken to improve the prevention and detection of fraud.

Recommendations: Members are asked to:

- a. Approve the new list of proofs of identity and age, and residency listed in the table at paragraph 8.
- b. Provide a steer on whether their preference is to maintain the current position in terms of minimising data security risks and cost, or for officers to explore the additional costs of increased document retention for the purpose of retaining evidence to be used to prosecute fraud.
- c. Approve that for Freedom Pass applications not supported by photographic evidence of identity and age, the same criteria for photographic identification as used by the passport service is adopted.

Freedom Pass Eligibility Documentation and Processes

Background

1. Freedom Pass provides free travel for older and disabled London residents on all Transport for London (TfL) travel modes (bus, Tube, London Overground, TfL rail, DLR and Tram) 24 hours a day, and on most National Rail routes after 9.30am Monday to Friday and at any time on weekends and public holidays. It also allows travel on local buses anywhere in England.

Why Review Eligibility Documentation and Processes?

2. In September 2019, the London borough of Brent successfully prosecuted someone for making fraudulent Disabled Freedom Pass applications. The person in question was convicted of nine offences and received an 18-month suspended prison sentence. The prosecution followed over a year of cooperation between London Councils' officers and Brent fraud investigators.
3. Prompted by what the investigations revealed, London Councils commissioned an external organisation to review its current processes and procedures for checking eligibility across the Freedom Pass scheme. The review, which was finalised in October 2019, was intended to identify what more London Councils could do to prevent fraudulent applications.
4. London Councils is also currently in the process of designing new application portals for disabled and older persons Freedom Pass applications. Identity and verification processes will be built into these portals. It is, therefore, timely to make sure that new processes are included from inception.
5. London Councils intends to implement a number of the recommendations. However, these could potentially make it more onerous for some people to apply for the Freedom Pass scheme. Some could also increase the cost of managing the scheme. Conscious, that Members have supported London Councils' previous drive to develop clear and simple application processes, and to reduce costs, officers wish to gauge TEC Executive's appetite for making these changes.

What changes are proposed?

6. The first set of changes relate to documents accepted as proofs of identity and residency. Currently the following documents are accepted (NB – the proofs that the review recommended should be removed have been struck through in the table below):

Proof of Identity and Age	Proof of Residency
<ul style="list-style-type: none">• Current passport• Medical card• Birth certificate (unless your name has changed)• Current driving licence• Letter of state pension entitlement• European ID card	<ul style="list-style-type: none">• Current council tax bill/letter/payment book• Current council/housing association rent book/statement/letter/tenancy agreement• Current television licence• Residential utility bill/Letter (excluding mobile phone bills) dated in the last 3 months

	<ul style="list-style-type: none"> • HM Revenue and Customs letter dated in the last 3 months • Department for Work and Pensions letter dated in the last 3 months • Occupational pension letter dated in the last 3 months
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7. The reason for recommending to remove medical cards and television licences as acceptable proofs of identity and residence respectively is that both can be obtained without sufficient verification at the time of application and cannot be relied upon for the purposes currently used.
8. The review suggested that London Councils follow government guidelines on acceptable proofs of identity and proof of residency. Officers recommend that the following proofs be accepted:

Proof of Identity and Age	Proof of Residency
<ul style="list-style-type: none"> • Current passport • Birth certificate (unless your name has changed) • Current UK or EEA photocard driving licence • Letter of state pension entitlement • European Economic Area ID card • Resident permit issued by the Home Office to EEA nationals • National identity card bearing a photograph of the applicant 	<ul style="list-style-type: none"> • Utility bill (gas, electric, satellite television, landline phone bill) issued within the last three months • Local authority council tax bill for the current council tax year • Current UK driving licence (but not if used as proof of identity) • Bank, Building Society or Credit Union statement or passbook dated within the last three months • Original mortgage statement from a recognised lender issued for the last full year • Solicitor's letter within the last three months confirming recent house purchase or land registry confirmation of address • Council or housing association rent card or tenancy agreement for the current year • Original notification letter from DWP (but not if used as proof of identity) • HMRC self-assessment letters or tax demand dated within the current financial year

	<ul style="list-style-type: none"> • NHS Medical card or letter of confirmation from GP's practice of registration with the surgery
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9. The second suggested change was for London Councils to update its document retention policy to ensure that documents used to prove eligibility are retained for as long as the Freedom Pass is valid, so that they can be used as evidence in case of later criminal prosecution. Currently, application documents are retained for three months, after which time they are securely destroyed.
10. There were two main reasons that London Councils set its current policy. The first was on data protection and security grounds i.e. it was a risk to keep copies of potentially sensitive personal information for long periods of time. The second was on cost grounds. It would cost significantly more money to store images of scanned documents.
11. Officers are conscious that there is a balance to be struck here and ask TEC Executive to provide a steer on whether its preference is to maintain the current position in terms of minimising data security risks and cost, or for officers to explore the additional costs of increased document retention for the purpose of retaining evidence to be used to prosecute fraud. Should TEC Executive's preference be the latter, officers will research indicative costs and make them available for consideration by members.
12. The third area officers would like TEC Executive to consider is processes for verifying photographic evidence. In cases where an applicant provides proof of identity and age that contains a photograph, this is fairly straightforward, as the likeness of the applicant contained in the photograph can be compared to the image on the proof.
13. However, where non-photographic proofs are provided, this cannot be done. Previously, when all applications were processed by the Post Office, this could be done at the point the application was provided to the Post Office. However, since 2015, the Post Office has not been involved in handling Freedom Pass applications and this gap has not been filled.
14. In order to close this gap for applications that are not supported by photographic evidence of identity and age, officers recommend that the same criteria for photographic identification as used by the passport service is adopted. This would require photographs to be countersigned by someone who has known the applicant for more than two years, can confirm that they are who they claim to be, and that as far as they know, the information provided to London Councils is true. As with the passport service, the countersignatory would need to be from one of the occupations listed at Appendix 1.
15. If accepted, this recommendation could slow-up the application process for people without photographic proof of identity and age. However, officers consider this inconvenience to be outweighed by the fraud prevention benefits. Should this recommendation be accepted, officers will explore with the current Freedom Pass contractor whether additional costs will arise from this process change.

Financial Implications for London Councils

The Director of Corporate Resources reports that the proposals have no immediate financial implications but notes that recommendations two and three could in the future. Therefore, any future developments in these areas that were above agreed annual budget levels (currently £1.518 million) would be brought to TEC for approval.

Legal Implications for London Councils

None

Equalities Implications for London Councils

None

Recommendations

Members are asked to:

- a. Approve the new list of proofs of identity and age, and residency listed in the table at paragraph 8.
- b. Provide a steer on whether their preference is to maintain the current position in terms of minimising data security risks and cost, or for officers to explore the additional costs of increased document retention for the purpose of retaining evidence to be used to prosecute fraud.
- c. Approve that for Freedom Pass applications not supported by photographic evidence of identity and age, the same criteria for photographic identification as used by the passport service is adopted.

Background Papers

N/A

Appendix 1. Proposed List of Freedom Pass Photograph Countersignatories

The countersignatory must either:

- work in (or be retired from) a recognised profession
- be 'a person of good standing in their community'

Recognised professions

Examples of recognised professions include:

- accountant
- airline pilot
- articulated clerk of a limited company
- assurance agent of recognised company
- bank or building society official
- barrister
- chairman or director of a limited company
- chiropodist
- commissioner for oaths
- councillor, for example local or county
- civil servant (permanent)
- dentist
- director, manager or personnel officer of a VAT-registered company
- engineer with professional qualifications
- financial services intermediary, for example a stockbroker or insurance broker
- fire service official
- funeral director
- insurance agent (full time) of a recognised company
- journalist
- Justice of the Peace
- legal secretary (fellow or associate member of the Institute of Legal Secretaries and PAs)
- licensee of a public house
- local government officer
- manager or personnel officer of a limited company
- member, associate or fellow of a professional body
- Member of Parliament
- Merchant Navy officer
- minister of a recognised religion (including Christian Science)
- nurse (RGN or RMN)
- officer of the armed services
- optician
- paralegal (certified paralegal, qualified paralegal or associate member of the Institute of Paralegals)

- person with honours, for example an OBE or MBE
- pharmacist
- photographer (professional)
- police officer
- Post Office official
- president or secretary of a recognised organisation
- Salvation Army officer
- social worker
- solicitor
- surveyor
- teacher or lecturer
- trade union officer
- travel agent (qualified)
- valuer or auctioneer (fellow or associate members of the incorporated society)
- Warrant Officers and Chief Petty Officers

Professions that are not accepted

Your countersignatory cannot:

- work for London Councils, or the London borough in which you reside;
- be a doctor, unless they state that they know you well (for example they're a good friend) and that they recognise you easily from your photo