

SECOND MAJOR REVIEW - CORPORATE FRAUD - SOCIAL HOUSING

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REASON FOR ITEM

To agree on a draft scoping report for the review into Social Housing Fraud.

OPTIONS OPEN TO THE COMMITTEE

- 1. The Committee is asked to receive a presentation from the Corporate Fraud Investigation Manager and make comment on the draft scoping report which will put forward an effective plan for the review. The draft scoping report will be provided to Members before the meeting.**

BACKGROUND

1. At the last meeting of the Committee held on 11 December 2014, approval was given to this Committee's next review topic on Social Housing Fraud. For this meeting a draft scoping report will be developed, and a presentation will be given by the Corporate Fraud Investigation Manager.
2. **Social Housing Fraud** relates to the abuse of the allocation and occupancy of a Council owned property. Offenders may either be sub-letting their property, living elsewhere or claiming to be homeless when they are not. Therefore the tenure or homelessness application is fraudulent and the registered tenant or applicant does not have a genuine housing need.
3. The Audit Commission, in their report 'Protecting the Public Purse 2014' estimated that nationally it costs Councils on average £18,000 a year for each family placed in temporary accommodation.
4. In October 2013 the Government passed legislation to criminalise sub-letting fraud. On conviction, tenancy fraudsters face up to two years in prison or a fine. Hillingdon will use these powers to prosecute suitable cases. Blow the whistle on Housing Cheats posters appear in every issue of Hillingdon People, this helps to generate calls to our fraud hotline, and all referrals are fully investigated.

Progress to date

5. The Social Housing Fraud Project commenced in October 2010 and was initially targeted at registered Council tenants who were either sub-letting the property or were not resident and properties were empty. Since the commencement of the project 168 properties have been recovered and re-let to people with genuine housing need.
6. From April to November 2014 applying the Audit Commission 'Protecting the Public Purse' guidelines equates to a saving of £684,000 in Hillingdon through the detection of housing tenancy fraud and the recovery of 38 properties.
7. Officers are currently working with a credit reference agency (Experian) to data match all Hillingdon's housing tenancy records with credit reference data. These matches will identify if tenants are linked to another address other than their council property, if they

have a mortgage for a different address or if there are people other than the registered tenants living at the property. Results from this exercise should take effect from April 2015.

8. Also from August 2014 Corporate Fraud Officers have been working with Housing Needs reception staff to carry out enhanced checks and verification of people's homeless status. This work has ensured resources are only allocated to residents with a genuine housing need.
9. Currently 3 cases are being reviewed for possible prosecution. The first case relates to false address details claiming 10 year residency. The second case concerns a housing applicant presenting a false earnings document to attempt to represent economic independence, which is one of the criteria to be eligible for housing. The third case relates to a person in temporary accommodation signing the bed and breakfast register on a daily basis to confirm their residency when they were not actually occupying the accommodation.
10. Examples of combating social housing fraud are publicised in Hillingdon People. These articles often describe the improved quality of life for Hillingdon residents who have been allocated the tenancy of a recovered property. This generates positive feedback from residents and encourages reporting of suspected social housing fraud. To increase awareness of social housing fraud with residents the Corporate Fraud Investigation Team will be promoting their work at residents meetings from January 2015.