

# **RUNNYMEDE BOROUGH COUNCIL**

## **Housing Fraud Policy**

Review due:

## 1. Introduction

1.1 Social housing is a valuable national asset with over four million social housing properties in England providing homes for many low income households and families. At a time when demand for social housing is outstripping supply, it is estimated that up to 50,000 homes may be unlawfully sublet, which equates to more than 1 in 100 housing association and council homes across England. With temporary accommodation for homeless families costing Councils around £18,000 per family, per year, the public purse is being depleted to the tune of nearly £1 billion per annum.<sup>1</sup>

1.2 Runnymede Borough Council is committed to dealing with fraud. There is a significant need for affordable housing in the borough and social housing should be available for those in housing need at the time they need it. The impact of housing fraud is that the diminishing social housing stock is not put to best use, increased waiting time for housing, an increased risk of disrepair to the Council housing stock and a drain on resources in tackling the issues. It can also cause the Council reputational damage.

## 2. Aim

2.1 The aim of this policy is to set out the Council's approach to preventing, identifying and addressing housing fraud. It covers housing applications and obtaining housing by deception, allocation of council housing and nomination to other registered social landlords, the right to buy, unlawful subletting, wrongly claimed succession, unauthorised assignment, key selling and not living in the Council's property as a principal home.

## 3. Scope, Definitions and Legislation

3.1 This policy will provide the framework for the Council to identify and address social housing tenancy fraud within the council's own housing stock. It does not extend to dealing with housing fraud in the private sector or extend to activities of the Council beyond those relating to its own housing stock.

3.2 The Council defines social housing tenancy fraud as "unauthorised occupation that describes any kind of possession by an occupier which is either prohibited or requires consent by the landlord which has not been granted. It will include situations where an existing tenant continues in possession although the property is no longer their only or principal home". Examples of tenancy fraud include:

- Obtaining housing by deception;
- Suspected unlawful subletting;
- Subletting the whole property to a single household or multiple sublets within one property.
- Non-occupation by the tenant as their principal home
- Wrongly claimed succession;

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<sup>1</sup> This is according to the Guide to Tackling Housing tenancy Fraud document published by the NFA/CIH [Housing Tenancy fraud guide \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/414847/Housing_Tenancy_fraud_guide.pdf)

- Retention of a tenancy following the death or vacation of the tenant following a previous succession, or of a non-qualifying person
- Unauthorised assignment of the tenancy;
- "Key selling" - where the tenant leaves the property and passes on the keys in return for a one-off lump sum payment or favour;
- Fraudulently obtaining a social housing tenancy by misrepresentation of identity or personal circumstances;
- Unauthorised mutual exchanges;
- Fraudulent Right to Buy applications.

3.3 In tackling Housing Fraud, the Council will have regard to:

- The Fraud Act 2006
- Prevention of Social Housing Fraud Act 2013
- Housing Act 1985 Housing Act 1988
- Theft Act 1968
- Proceeds of Crime Act 2002
- Forgery and Counterfeiting Act 1981
- Regulation of Investigatory Powers Act 2000 (RIPA)
- Data Protection Act 2018 (GDPR)
- Criminal Procedures and Investigations Act 1996
- Police and Criminal Evidence Act 1984 (PACE)

## 4. Housing Allocation

4.1 The Council operate a choice based letting scheme. Properties within Runnymede are let in line with the Council's Allocations Policy. Areas of good practice to prevent fraudulent housing applications include:

- All housing applications are thoroughly verified before being considered for an offer. Identity checks are undertaken using Trust ID for housing applicants, or nominees to Housing Associations and tenants signing up for a new Council tenancy.
- Clear designation of roles and responsibilities in respect of actions and decision-making;
- If an applicant is an employee/member or relation of an employee/member, additional checks are in place involving Head of Housing Services and Business Planning and Head of Housing Solutions;
- Clear procedures in place for processing applications and making allocations;
- All applicants details are sent for Fraud investigations prior to any offer being made
- Documents, from an approved list, are requested to confirm the identity and residency of all household members at point of application, application is not fully processed without these required documents;
- Officers have access to both Councils' Housing Benefit and Council Tax system to verify circumstances;
- Supporting documents are gathered from a range of sources, usually professionals, to verify housing needs e.g. General Practitioner / Occupational Therapist / Social Worker;
- Landlord references for the last 5yrs are obtained to verify statements made on applications;

- Any discrepancies in details provided by applicants are investigated;
- Any identified risks are shared with Tenancy Services at point of allocation to assist in housing management approach;
- A field on the application to record when Housing Benefit systems are checked to verify circumstances; Clear declaration endorsed by applicants setting out consequences of failure to disclose relevant information or intention to mislead, including statements on collusion.
- In addition to checks at verification, the Council checks again the identity of a tenant when they sign for a new tenancy including verifying passports, visas, Identity cards and driving licences electronically.
- We explain subletting and the consequences of breaching the terms of the Tenancy Agreement when a new tenant signs their Tenancy Agreement

Where there is reason to believe an applicant is attempting to commit fraud, that application will be suspended pending further enquiries.

## **5. Tenancy Management**

5.1 The Area Housing Managers undertake a home visit to all new tenants within the first month of their tenancy to check that the tenant has moved into the property and to ensure that the applicants listed on the housing application are all in occupation.

5.2 The Council uses introductory tenancies, meaning that all tenants will also receive another visit 9 months into their tenancy before the introductory period comes to an end. This also ensures that the tenants have remained in occupation and that should any concern arise regarding tenancy fraud, this is addressed within the first year of their tenancy before it automatically converts to a secure tenancy.

5.3 The Tenancy Services Team proactively undertake a series of Tenancy Audits, targeting audits on tenants where there is any suspicion of housing fraud. This may include for example where no contact has been made with the known tenant during the past 12 months, no repairs or home visits have taken place, and the rent account is consistently in a high level of credit.

5.4 Evidence of identity is routinely sought during any tenancy management activity, including mutual exchanges, assignment, succession and Flexible tenancy reviews.

5.5 The Council undertakes enhanced checks of Right to Buy applications, including but not limited to cross-referencing and verifying identification, referring to the Reigate and Banstead Fraud team, obtaining proof of tenancy history and qualifying period and proof of residency and checking for source of finance if a cash buyer.

5.6 In all instances of suspected Housing Fraud, the Council will make a referral to Reigate and Banstead Council's fraud team, who will investigate the alleged fraud and whether to prosecute in cases of unlawful subletting. Reigate and Banstead Council's fraud team have the staff with the knowledge and expertise to provide support to the Council.

5.7 The Council uses a range of publicity methods to raise awareness of tenancy fraud, undertakes initiatives such as Key Amnesties and publicises cases where we have

successfully regained possession of a property or prosecuted for tenancy fraud. We advertise how tenancy fraud can be reported confidentially including online via the Council's website.

## **6. Detection**

6.1 The Prevention of Social Housing Fraud Act 2013 made subletting the whole of a social rented dwelling a criminal offence. The Act introduced two new criminal offences. Firstly, where the tenant sublets or parts with possession of a property or ceases to occupy knowing that it is a breach of tenancy. The second is where a tenant dishonestly, in breach of tenancy, sublets without consent and ceases to occupy the property as their only or principal home.

6.2 Housing staff and property services teams will receive training on Housing Fraud to raise awareness on how to spot the signs of fraud and what to do when suspicions arise.

6.3 Runnymede will support prosecution in all cases, except in exceptional circumstances where the Head of Housing and Business Planning or Corporate Head of Housing decides it is in the best interests of the Council not to pursue criminal prosecution.

6.4 Officers will work closely with the Fraud team to undertake joint visits and jointly agree on the course of action to be taken where suspected fraud is detected. Further investigations may include reviewing records, further visits and making enquiries with neighbours.

6.5 Where necessary and appropriate, and following the completion of fraud investigation a manager will authorise the commencement of legal action for a breach of tenancy.

6.6 Any tenant who defrauds the Council is at risk of losing their tenancy and permanent exclusion from the Housing Register.

6.7 When fraud is detected, the Council's primary objective is to prevent a social housing tenancy from being allocated inappropriately or to regain possession of a property fraudulently occupied. The Council will also generally seek to prosecute cases of fraud, although in some circumstances we may decide not to pursue legal action if re-possession of the property is achieved. Further sanctions include disqualification from the Housing Register.

6.8 Appropriate housing advice will be offered to those affected by fraudulent behaviour, for example, a person living in a property unaware that it has been illegally sublet and legal action taken in line with assessment of the individual circumstances.

## **7. Information Sharing**

7.1 We are party to several information sharing agreements with organisations such as the Police, the DWP and Surrey County Council. This is to allow us to lawfully share

information for purpose of preventing, detecting and tackling fraud, which is a crime. We will comply with the relevant legislation when doing so.

7.2 When we share information we will ensure that the transfer of information is done safely, stored appropriately and is not shared with a third party without permission unless there is a legal basis for doing so.

## **8. Working in Partnership**

8.1 Partnership working is essential to successful prevention and detection of tenancy fraud and we will work with a variety of agencies including statutory, non-statutory and voluntary sector organisations.

8.2 We will work with other social housing providers operating within Runnymede, especially where Runnymede has nomination rights to their properties, to take the same zero tolerance approach to tenancy fraud that we have adopted.

8.3 Recognising that some investigations cannot be managed by one agency alone, we will attend regular partnership meetings to enable the exchange of information between key community partners.

## **9. Confidentiality**

9.1 Tenancy fraud can be reported anonymously on our website. The details of the person reporting the fraud will remain confidential unless the reporting person(s) advises the investigating officer that they are happy for their details to be shared. (*Currently investigating how we can do this*).

9.2 Anonymous reports are often difficult to deal with, especially when information provided is limited. We will assess how serious the report is before we decide whether we can investigate the case. This may include speaking to partners such as Council Tax, to establish whether they have further information that we can act upon.

## **10. Consultation, communication and training**

10.1 RBC will provide clear and comprehensive advice and information to residents, with an aim for a single point of contact.

10.2 XXX have also been consulted.

## **11. Monitoring and performance management**

11.1 We aim to review this policy in three years to ensure it reflects current legislation and latest examples of best practice.

11.2 We will monitor tenancy fraud cases to ensure the correct application of the tenancy fraud policy. We will monitor how many properties are recovered due to tenancy fraud at Operational Management Team Performance Meetings.

## 12. Equalities Implications

12.1 In producing this document an Equality Impact Assessment (EIA) has been carried out.

12.2 An EIA is a way of assessing the impact, or likely impact, that a particular policy, procedure or decision will have on particular groups. This is used to assess whether in making the decision whether the Council has complied with its public sector equality duty under S149 of the Equality Act 2010 (as amended) to; eliminate discrimination and any other conduct that is prohibited under this act and to advance equality between those who share a protected characteristic.

12.3 The screening found XXX

## 13. Version Control

Version Number	Date Amended	Comments	Date Approved	Author	Approved By
V1	October 2023	First draft completed		Abigail Travers	