

Housing – Counter Fraud Policy

Implementation date: February 2012

Aims and objectives

The demand for Council housing in Dudley is much higher than its availability. It is imperative therefore that we have robust policy and procedures in place to prevent it being obtained and / or used fraudulently.

The policy aims to counter housing fraud which might occur as a result of:

Fraudulent applications for housing (new or transfer)
Fraudulent claims of homelessness
Payment for mutual exchanges
Unauthorised sub-letting of the whole or part of the property
Non occupation by tenant as their principal home
Wrongly claimed succession
Unauthorised assignment
Key selling
Targeting vulnerable tenants to use their tenancy for unlawful and / or criminal activity (also known as cuckooing)
Fraudulent Right to Buy claims and or avoidance of discount re-payments
Non-disclosure of relevant changes to household make up pertinent to a housing application or a tenancy
Identity fraud

Housing Services will counter fraud by the use taking the following actions:

- Applicants and tenants will be required to provide signed declarations at key stages in housing processes as determined necessary by the author of the policy or procedure as a first measure to counter fraud. This will also be used as an opportunity to communicate to the person making the declaration that should they knowingly or recklessly make false statements which lead or were intended to lead to unfair advantage or gain that action will be taken against them for housing fraud.
- Identity checks will be undertaken on applicants and existing tenants at appropriate times as determined by procedure guidance and or best practice. This will include but will not be limited to checks at point of application, at the start of the tenancy, during routine or targeted home checks, during appointments to deal with significant tenancy management issues or as part of any counter fraud investigation.

- Applicants and tenants will be required to provide an up to date full face passport sized photo to be held on their housing records for the purpose of conducting identity checks.
- Applicants and tenants will be required to provide National Insurance numbers as part of the household data we will collect, hold and regularly update for the purpose of countering housing fraud.
- A document checklist will be produced and updated on documents that applicants and tenants may be requested to produce to prove their identity. Officers checking identity will be trained and provided with reference tools / web sites to be able to confidently identify false documents.
- Where there is reasonable suspicion that an individual is trying to or has committed a housing fraud, housing services will make use of economic activity and other data tracing tools to collect evidence to detect and take appropriate action to stop the fraud.
- Housing Services will subscribe to and be an active member of the national fraud initiative and will undertake other local data matching exercises as it sees fit to identify housing fraud in Dudley.
- Key fob exchanges and other practical measures to identify or exclude unauthorised occupants from our properties will be undertaken where considered appropriate.
- Good practice on investigation techniques into suspected fraud will be collated and shared regularly with officers involved in counter fraud activities. Housing Services will also work in partnership with other social housing providers to share information, data and good practice where they are willing to do so to prevent and detect housing fraud.
- Housing Services will promote the confidential reporting of fraud by residents/public

Where investigations identify that a housing fraud has been committed housing services will take appropriate and proportionate action which may include the following:

- Application for possession of any property obtained, retained or used fraudulently.
- Recovery of any monies obtained as a result of the fraud e.g. rent paid tenants to who the property is unlawfully sub-let
- Exclusion or, deferral from, or demotion on the waiting list for accommodation
- Report to the Police for criminal investigations and action
- Offer advice and assistance to other victims of the fraud, for example a person who has unknowingly paid rent to a tenant who has unlawfully sub-let their Council tenancy to them.

To deter those who may be considering committing a housing fraud Housing Services will publicise details of any actions we will take to counter fraud, details of cases where action has been taken and encourage members of the public to report fraud through all appropriate media and communication channels.

Legislation

The Housing Act 1985 gives grounds for possession.

The Fraud Act 2006, Theft Act 1968 & 1978 and Proceeds of Crime Act provide authority for action to be taken on acts of Fraud

Brief description of the procedure

This policy should be read in conjunction with the following policy & procedure documents:

- Lettings Policy
- Home Checks
- Abandoned Properties
- Right to Buy
- Lodgers & Sub-letting
- Succession
- Mutual Exchanges
- Sole to joint tenancy
- Joint to sole tenancy
- Illegal Occupancy
- Tenancy sign up
- Tenant name change
- Gas Access
- Name Change
- Decants
- New tenancy visits
- Sign up
- Temporary accommodation

All procedures are regularly reviewed to reduce the risk of fraud occurring.

Performance Monitoring

The following management information will be recorded and reported on:

- The number of investigations conducted on housing fraud
- The number of housing frauds identified and action taken to stop the fraud from continuing

Resources

The counter fraud work will be carried out within existing staffing resources.

There is a small financial cost associated with the use of some credit and data checking traces but this is not expected to exceed £1000 in anyone year and can be met from existing resources. There will also be some costs associated with communications but again it is anticipated these will be met from existing resources.

There is a risk the policy could increase costs associated with void management and legal enforcement action.

Consultation

Dudley Federation Tenants Residents Association and the 5 Area Housing Panel have been consulted on the approaches Housing Services intend to take during 2011 in the development of this Policy.

Impact Assessments

The introduction of the Counter Fraud Policy will have positive impacts on tenants who are vulnerable and who maybe more susceptible to the risks of 'cuckooing' where individuals are targeted to use their tenancy for unlawful or criminal activity.

The use of Photo Identification may be objected to by some people on religious or belief grounds. Research indicates that this approach has been adopted by other social landlords without any such objections but mitigating actions put in place to address this issue.

Mitigating actions will also be developed to minimise any risk to persons who are the subject of cuckooing or other harassment and are unable to produce identification because it has being with-held from them.

Staff who undertake fraud investigations will be provided with appropriate training on how to conduct such investigations and will also have passed the Corporate equality and diversity training.

Review

This policy will be reviewed as the need arises or no later than 3 years from its implementation date.

Policy Owner : Nigel Collumbell
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