

COMMUNITY AND SOCIAL AFFAIRS COMMITTEE

20 MARCH 2012

REPORT OF HEAD OF COMMUNITIES AND NEIGHBOURHOODS

SOCIAL HOUSING FRAUD CONSULTATION

1 PURPOSE OF REPORT

- 1.1 To inform Members of the issues arising from the Government's consultation document on Social Housing Fraud and propose a way forward regarding the Council's response.

2.0 RECOMMENDATIONS

- 2.1 *It is recommended that:*

Members comment on the consultation and questions and give delegated authority to the Head of Communities and Neighbourhoods to give a final response to the consultation document as appropriate.

3. KEY ISSUES

- 3.1 The document "Social Housing Fraud" was produced in January 2012 and requests responses to the consultation by 4 April 2012. This main consultation document is attached at Appendix A to this report.
- 3.2 The Government considers Social Housing to be an extremely valuable asset and despite efforts to combat fraud, is concerned that a small minority of tenants are still trying to cheat the system through subletting a home they have been given or lying when getting an allocation in the first place.
- 3.3 The purpose of the consultation is to invite views on whether the current legislation needs enhancing, and if this is the case how this might be done to reduce tenancy fraud. In particular the Government does not want to remove the current ability to pursue as a civil matter but invites feedback on whether Social Landlords need more extensive enforcement capabilities which would include; a new criminal offence for social housing tenancy fraud; a wider definition of 'tenancy fraud'; allowing compensation payments to be made to social landlords and improving access to data to enable more thorough investigations to take place.
- 3.4 The Council has taken a number of steps in recent times to combat tenancy fraud, these include:
- Attendance at training courses on combating tenancy fraud
 - Hot Line set up to enable people to report instances of tenancy fraud anonymously
 - Article in tenants 'In Touch' magazine to make tenants aware of the Council's commitment to tackling tenancy fraud and inviting tenants to advise the Council of any known tenancy fraud
 - Investigation of potential fraud through data matching with information held by the Audit Commission
 - Investigation into comparison of Housing records against Housing

benefit records to identify any potential fraud

- Awareness sessions with Housing Estate Management Officers regarding identifying potential fraud
- Discussions with local Social Housing Association providers regarding this issue to enable sharing of information as appropriate
- Changing the process of making an application for Housing to include a photo identification to be taken with applicants to ensure that those applying for a property are those who end up living in the property
- Change to the Choice Based Letting (CBL) scheme to improve openness and transparency in the letting process.

3.5 The Council has had two successful cases where the tenant suspected of sub-letting handed in their notice and the properties were returned to the Council.

4.0 **POLICY AND CORPORATE IMPLICATIONS**

4.1 The main evidence of tenancy fraud is in London and the larger Cities, however the Council has a shortage of properties available and we need to ensure that our stock is going to those most in need of housing.

5.0 **FINANCIAL AND OTHER RESOURCE IMPLICATIONS**

5.1 There are potential financial and resource costs in pursuing tenants through the Courts, including summons costs and potential legal representation in the County Court. These may be partly overcome by the proposal to allow 'restitutionary payments' allowing the Council to recoup expenditure for civil and criminal cases.

6.0 **LEGAL IMPLICATIONS/POWERS**

6.1 If adopted the proposed scheme will introduce enhanced legal powers to the Council in terms of action that can be taken and information that can be obtained from such organisations as banks and building societies.

7.0 **COMMUNITY SAFETY**

7.1 There are no direct links to community safety arising from this report.

8.0 **EQUALITIES**

8.1 As part of the consultation exercise DCLG will undertake an impact assessment, the report of which will be made available shortly. Any scheme that is introduced by the Council will need to show that it is equitable and an Equality Impact Assessment will be completed.

9.0 **RISKS**

9.1 There are no direct risks arising from this report.

10.0 **CLIMATE CHANGE**

10.1 There are no climate change issues directly arising from this report.

11.0 **CONSULTATIONS**

11.1 The consultation document has been produced by CLG to all local government authorities.

12.0 **WARDS AFFECTED**

12.1 All wards which contain Council properties are affected.

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Date: 7 March 2012

Appendices: Appendix A – Social Housing Fraud

Background Papers:

Reference: X: C'tees, Council & Sub-C'tees/CSA/20032012/HR – Social Housing Fraud Consultation