

## Tenancy Fraud Policy

Title:	Tenancy Fraud Policy
Person Responsible:	Director of Customer Experience
Customer consultation arrangement:	Tenants' Committee
EIA required:	No
EIA Completed (date):	N/A
Approved by:	Audit and Risk Committee
Business Strategy Objective	All themes
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Links to other Policies:	Tenancy Agreements, Tenancy Policy, Tenancy Fraud Procedure, Lettings Policy & Procedure, ASB Policy & Procedure, Abandonment Policy & Procedure, Succession and Assignment Policy & Procedure, Data Protection Policy and Procedure.
Review Date:	Three years, unless required sooner

Document management		
Version	Date amended	Amendments
1	January 2019	First policy, developed with support of HouseMark
2	January 2022	The policy has been updated to clarify the purpose of the policy, what tenancy fraud is and its impact. There is also an extended list of common examples.

## **1. Purpose**

- 1.1 This document outlines South Lakes Housing's (SLH) policy for dealing with tenancy fraud. It explains SLH's approach to tackling housing fraud in an environment where increasing property prices and a shortage of housing means that more people are struggling to find a suitable home they can afford and where demand for affordable housing outstrips supply. This creates a lucrative opportunity for people who are so minded and willing to exploit SLH's housing stock for their own gain.
- 1.2 The aim of the policy is to outline how we will prevent and tackle tenancy fraud within our housing stock by investigating all reports of fraud and taking reasonable steps to ensure this is prevented. SLH has a zero-tolerance approach to housing fraud and will take legal action against perpetrators where necessary.

## **2. Regulatory and Legislative Requirements**

This policy complies with the Regulator of Social Housing's Tenancy Standard, that states; *"registered providers shall publish clear and accessible policies which outline their approach to tenancy management, including interventions to sustain tenancies and prevent unnecessary evictions, and tackling tenancy fraud."*

Related legislation includes:

- Prevention of Social Housing Fraud Act 2013
- Fraud Act 2006
- Proceeds of Crime Act 2002
- Human Rights Act 2000
- Regulation of Investigatory Powers Act 2000 (RIPA)
- Data Protection Act 1998
- Criminal Procedures and Investigations Act 1996
- Housing Act 1988
- Housing Act 1985
- Police and Criminal Evidence Act 1984
- Theft Act 1968

## **3. What is Tenancy Fraud?**

Tenancy fraud occurs when a housing association home is occupied by someone who is not legally entitled to it or someone who has obtained the property fraudulently. Common examples of tenancy fraud include:

- **Application fraud** - obtaining a home by deception. Giving false information in a housing application to improve the chances of getting a property, for example, falsely claiming to be living with a relative or failing to disclose a change of circumstances.
- **Subletting fraud** - either for profit or providing the tenancy for family members or friends.
- **Succession fraud** - where the tenancy is taken over, often on the death of the tenant, by someone who falsely claims to have been living there for some time. For example, a person succeeding on the death of a relative or where succession rights have been exhausted.
- **Key selling** - Where the tenant moves out and is paid to hand over the tenancy to someone else.
- **Non-occupation of the home**
- **Financial incentives around a mutual exchange** – offering or accepting money to carry out a mutual exchange.
- **Right to Buy (RTB)/Right to Acquire (RTA) fraud** - Falsely claiming the Right to Buy and associated discounts by misrepresenting who lives in the property.

#### 4. The Impact of Housing Fraud

Demand for affordable social housing is outstripping supply. Social housing fraud:

- Deprives people of a home where they are genuinely in need of an affordable home.
- Increases waiting times for prospective tenants and existing tenants wishing to move.
- May increase damage to properties as fraudulent tenants may be reluctant to engage with the organisation and fail to report repairs and have routine maintenance / improvements undertaken.
- May result in anti-social and nuisance behaviour. e.g., the use for short term subletting.
- May damage the reputation of SLH as a responsible landlord.

#### 5. Tackling Fraud – Our Approach

This divides into two areas prevention, and enforcement.

##### **Prevention**

The actions we will take to prevent tenancy fraud include:

- To take a photograph of all new tenants at sign up.
- To work with local authorities in tackling tenancy fraud, within the parameters of our data sharing protocols.
- At completion of the 'My New Home' the online housing and support needs assessment, a statement should be read by the prospective tenant advising them if any information is missing or incomplete, the offer of, or the tenancy could be removed; or we may retrospectively seek possession.
- To ask for ID documents to be brought at viewings and sign up to ensure the person is the nominated applicant.
- To record a resident's national insurance number on our housing system. This means we can trace a person who may have held a tenancy previously but changed their name.
- To publicise cases of where we have successfully recovered possession of sub-let properties to raise awareness and act as a deterrent to others.
- To interview applicants who apply to purchase a property under the RTB or RTA and carry out rigorous checks into their circumstances, identity, and the purchase funds.

## **Enforcement**

The actions we will take to ensure effective enforcement of this Policy are to:

- Provide training for staff to identify potential signs of fraud and build a culture of tenancy fraud awareness.
- Provide training for all staff to be aware of potential opportunities for staff collusion and action.
- Annually carry out a series of tenancy audits, these will be prioritised according to local intelligence as well as targeting properties where we have had little contact in the past year.
- Investigate 100% of fraud cases reported to us.
- Ensure that reports of fraud can be received by any persons or agencies and can be dealt with anonymously.
- Commence investigations of all instances within seven working days. The type of investigation and action taken will be dictated by the type of tenancy fraud alleged.
- Log all reports and actions taken on our housing management system.
- Work with other agencies, including but not limited to; local authorities, the Department of Work and Pensions and the police.
- Seek possession of all properties where tenancy fraud is being committed, if required
- Detect tenancy fraud. We will provide all relevant information to the respective local authority who may choose to bring criminal charges.

## **6. Monitoring & Review**

We will monitor performance at Audit & Risk Committee on an annual basis providing information that indicates:

- Details of tenancy fraud discovered in our properties, broken down by category of fraud.
- Specific action taken/being taken against each case.

- Total value of any financial loss to SLH.
- Cases passed to the relevant local authority for criminal proceedings and any known outcomes

This policy will be reviewed every three years, or where there have been significant changes to regulation or legislation to warrant a further policy review. The Policy may also be reviewed sooner where there is a need to address operational issues, or where best practice has evolved and there is a need to incorporate this.