

HOUSING FRAUD POLICY

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EIA Required?	<input type="checkbox"/>
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1 INTRODUCTION

- 1.1 Stockport Homes has an obligation to protect the property assets it owns and manages against fraudulent misuse. The organisation has a dedicated housing fraud team, which has clear procedures in place to prevent, detect and respond to fraud.
- 1.2 Fraud can be broadly defined as the deliberate use of deception or dishonesty to disadvantage or cause loss (usually financial) to another person or party.
- 1.3 This Housing Fraud Policy specifically considers fraud in relation to tenancies granted in social housing properties. It explains Stockport Homes Group's (SHG) approach to tackling housing fraud in an environment where increasing property prices and a shortage of housing means that more people are struggling to afford to find a suitable home they can afford. This creates a lucrative opportunity for people who are willing to exploit SHG's housing stock for their own gain.
- 1.4 Stockport Homes has a zero tolerance approach to housing fraud and will take legal action against perpetrators where necessary.

2 WHAT IS SOCIAL HOUSING FRAUD?

- 2.1 Social housing fraud (or tenancy fraud) occurs when a council or housing association home is occupied by someone who is not legally entitled to it or someone who has obtained the property fraudulently.
- 2.2 Common examples of social housing fraud include:
- Application fraud;
 - Right to Buy/Acquire fraud;
 - Subletting;
 - Abandonment
 - False Succession
 - False Assignment;
 - Key-selling;

Information on how to identify some common signs of housing fraud can be found in the Appendix.

3 PREVENTION OF SOCIAL HOUSING FRAUD ACT 2013

- 3.1 The Prevention of Social Housing Fraud Act 2013 (known as POSHFA 2013) outlines criminal offences for secure and assured tenants for the acts of sub-letting the whole, or part, of the property without the landlord's consent (and ceasing to occupy it as their only or principle home).

- 3.2 Conviction for an offence under POSHFA can lead to imprisonment for up to two years or a fine (or both). This Act may therefore act as a powerful deterrent for individuals from committing housing fraud.
- 3.3 POSHFA also allows the landlord to apply to the Court for an Unlawful Profit Order, in both criminal and civil cases. An unlawful profit order is an order made by the Court which requires the offender to pay to the landlord an amount representing the profit made as a result of their unlawful conduct.
- 3.4 Stockport Homes will take appropriate legal action where it has sufficient evidence to do so. This will include convictions and Unlawful Profit Orders where appropriate.

4 THE IMPACT OF HOUSING FRAUD

- 4.1 Demand for 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 of Air BNB for short term subletting.
 - may damage the reputation of Stockport Homes as a responsible landlord.

5 TACKLING HOUSING FRAUD AT STOCKPORT HOMES

- 5.1 Stockport Homes has a moral obligation to protect the assets it owns and manages against fraudulent misuse.
- 5.2 Housing fraud can negatively impact SHG in terms of affecting staff morale and the organisations reputation. It is therefore imperative that the organisation has reliable measures in place to visibly prevent and detect fraud, as this increases stakeholder's confidence in SHG's ability to tackle the threat of housing fraud and protect public assets.
- 5.3 SHG does this by having a dedicated housing fraud team in place. The team actively investigates all reports of housing fraud, alongside conducting checks on applications. This includes taking legal action where necessary. Officers are trained to interview under caution¹; interviews of this type are admissible to Court as evidence and are often essential in the successful prosecution of an

¹ Under the Police and Criminal Evidence Act 1984

offender. More information on the checks conducted by the housing fraud team may be found in the associated housing fraud procedures.

- 5.4 The housing fraud team provides specialist advice and guidance to staff, working with them in partnership to tackle housing fraud. All employees have a duty to report any suspicions of housing fraud to the housing fraud team. All reports will be investigated by the housing fraud team, in collaboration with other teams as necessary.
- 5.5 The housing fraud team works across the organisation and with Stockport Council to ensure that business processes, policies and procedures are compliant with best practice across the sector.
- 5.6 The team also periodically runs publicity campaigns in order to inform tenants and the general public about the impact of housing fraud and encourage them to report suspicious activity.

6 LINKS TO LEGISLATION, POLICIES, PROCEDURES AND ORGANISATIONAL AIMS

- 6.1 This policy has links with specific legislation and several other SHG policies and procedures, including:

- Prevention of Social Housing Fraud Act 2013
- Fraud Act 2006
- Criminal Procedures and Investigations Act 1996,
- Police and Criminal Evidence Act 1984
- Human Rights Act 2000
- Regulation of Investigatory Powers Act 2000 (RIPA)
- Proceeds of Crime Act 2002
- Data Protection Act 1998
- Housing Act 1988
- Housing Act 1985
- Theft Act 1968
- Housing Fraud Procedures
- Abandonment Procedure
- Allocations Policy
- Succession Policy
- Assignment Policy
- Anti-Money Laundering Policy
- Corporate Fraud Policy

7 EQUALITY IMPACT ASSESSMENT (EIA)

- 7.1 An Equality Impact Relevance Screening has determined that a full EIA is not required.

8 OWNERSHIP, MONITORING & REVIEW

- 8.1 This Policy is owned and monitored by the Head of Service, Safer Neighbourhood Team, Operations Directorate.
- 8.2 The Policy will be reviewed every three years, or sooner should a significant change to housing fraud legislation or organisational policy be put in place.

Appendix one

COMMON SIGNS OF HOUSING FRAUD

In order to successfully prevent and detect housing fraud, it is important to give employees the tools to identify it. Below are some indicators that someone may be misusing their social housing property. This list is not exhaustive.

- Reluctance from an applicant to supply information as required
- Difficulties gaining access for Current Tenancy Visits/annual gas servicing or repairs.
- People in the property do not match the profile of the registered tenants.
- No contact with the tenant for a year or more.
- No recent repairs history.
- Households where assignment has been refused.
- Households where succession has been refused.
- Rent paid in cash.
- Rent paid from an account belonging to someone other than the registered tenant.
- Rent paid in advance.
- Significant levels of credit on a rent account.