



## **Dover District Council**

### **Housing Service Tenancy Fraud Policy**

#### **1. Policy Statement**

1.1. Dover District Council (DDC) aims to make best use of its properties and ensure that they are occupied in accordance with the law, the regulatory framework and our tenancy agreement. Preventing and tackling tenancy fraud is an important way in which we can achieve this.

#### **2. Key Objectives**

2.1 The Key Objectives of this policy is to:

- Make sure that the right people are living in DDC accommodation.
- Raise awareness amongst staff and the public about tenancy fraud and what that means
- Encourage residents and members of the public to report suspected cases of tenancy fraud to DDC
- Proactively prevent fraudulent activity including the use of new technology to help validate genuine identification and documentation
- Work in partnership with stakeholders to share information, data, and resources where appropriate.

#### **3. Scope of the Policy**

3.1. This policy supports DDC in making the most of their housing stock and ensuring that properties are being occupied by those in greatest housing need.

3.2. Section 80 of the housing Act 1985 states that the tenant must use their home as their “only or principle home”. The Prevention of Social Housing Fraud Act (2013) now makes social housing fraud a criminal offence. (see appendix 1) The ability to secure a successful prosecution will be determined by the evidence obtained.

3.4. This policy covers the actions that DDC will take to prevent, detect and prosecute suspected tenancy fraud where there is sufficient evidence.

#### **4. Definitions: What is tenancy Fraud?**

4.1 For the purpose of this policy the term ‘tenancy fraud’ refers to council-owned social rented housing that is used for a purpose other than it is intended. It may also

be referred to as social housing fraud, unlawful occupancy, unauthorised occupancy or tenancy misuse.

The following are common examples of tenancy fraud:

#### **4.2 Unlawful subletting**

Unlawful subletting can include subletting the whole of the property or individual rooms within the property to a third party without the consent of DDC. Both DDC introductory and secure tenancy agreements make it clear that unauthorised subletting is not permitted.

#### **4.3 Key selling**

Key selling is where a tenant 'sells' the keys to another person in return for money, a favour carried out, or in return for goods received.

#### **4.4 Non-occupation**

Non-occupation is where a tenant claims that the council home is used as their only or principle home, but instead uses it as a second property and resides there infrequently or not at all.

#### **4.5 Fraudulent succession**

Fraudulent succession is where a property has been retained by an occupant following the death of the tenant without the consent or knowledge of DDC, and by a person who has no rights of succession.

#### **4.6 Unauthorised exchange or assignment**

Unauthorised exchange or assignment is where a tenant or tenants exchange or assign properties without the consent or knowledge of DDC.

#### **4.7 Fraudulently obtaining council housing**

Fraudulently obtaining council housing is where a tenant provides false or misleading information in order to obtain a tenancy. This includes misrepresentation of circumstances and/or providing false identification.

#### **4.8 Right to Buy**

Providing misleading or false information on an application to purchase the property, through the right to buy scheme.

### **5. Impact of Tenancy Fraud**

**5.1** Failure to tackle tenancy fraud has a number of effects on both DDC and its residents.

- The housing stock is not put to best use
- Increased waiting times for prospective tenants and existing tenants wishing to move
- Increased risk of disrepair and damage to the property due to a reluctance to report repairs or accept improvements

- Difficulty gaining access to carry out essential safety works or routine maintenance
- Increased risk of criminal damage or anti-social behaviour
- The unlawful sub-tenant(s) may not be aware of their status and can be vulnerable to being charged increased rents or deposits and are at risk of unlawful evictions and homelessness
- Increase in resources due to the costs of investigation and court proceedings.

## **6. Prevention**

**6.1** Prevention is by far the most effective and cost-efficient way of managing the risks of fraud. DDC has put in place measures to prevent and deter tenancy fraud that include comprehensive data matching exercises, identity checks at the point of registration and sign-up; and through a rolling programme of targeted tenancy audits.

### **6.2 Tenancy audits**

In addition to scheduled and routine tenancy visits, DDC has committed to undertaking a five-year rolling programme of tenancy audits; targeting areas where we believe fraud might be more prevalent, in order to verify the identities of tenants residing in those properties.

Housing Officers will complete a tenancy audit form (see appendix 2) during visits to all new tenancies and on all flexible tenancy review meetings. This is to ensure that members of the household listed on the application have moved in or remain in the property prior to a new tenancy being offered.

### **6.3 Data matching exercises**

DDC will regularly carry out internal and external data matching exercises with our partners and neighbouring authorities to highlight potential tenancy fraud cases. We use this data to inform our tenancy audit programme.

DDC supports the National Fraud Initiative (NFI); an exercise set up by the Audit Commission and run by the Cabinet Office to detect and prevent potential fraud by examining electronic data shared between public and private sector bodies. The NFI flags up inconsistencies in the information that could indicate that fraud, an error, or an overpayment may have taken place, signalling the need for review and potential investigation.

### **6.4 Identity checks at the point of registration**

DDC carry out comprehensive evidence-based pre-tenancy checks on housing applicants to identify potential fraud before becoming a tenant. This will include verifying their date of birth and checking their National Insurance number and asking for photo ID. Proof of essential data is required, such as birth certificates, photo identification, passports, immigration papers or driving licences.

### **6.5 Identity checks at viewings and sign-up**

Evidence to validate identity will help to prevent tenancies from being obtained through deception. Before an accompanied view Housing Officers will check the

photo, ID provided by the applicant to ensure that the person viewing the property is the same. At the point of sign-up, the successful housing applicant(s) will again be asked to supply proof of identity.

The DDC sign-up procedures require staff to take a photograph of the new tenant(s).

### **6.6 Photographic identification**

To help ensure that the right person is living at the property, a photograph will be taken of all new tenants. The opportunity to photograph existing tenants will be taken during other routine tenancy visits. Photographic records will be kept by DDC and used during future visits to visually check a tenant's identity. Photos will be held confidentially according to Data Protection requirements and only used for identification checks. At the end of a tenancy any photographic evidence will be destroyed.

Tenants will be asked to sign a consent form stating that they agree to have their picture taken and allow DDC to share it with other agencies to prevent fraudulent activity and help manage the tenancy more effectively.

### **6.7 Tenancy visits**

New tenancy visits are carried out approximately six to eight weeks after sign-up. The Housing Officer will complete a new tenancy form to check whether there are any outstanding repairs or tenancy related matters that need to be actioned. DDC also use this visit to ensure that tenants have moved in and that occupancy has been taken up by the same tenant(s) that completed the sign-up process.

Further routine visits by our staff and contractors throughout the course of normal activities provide further opportunities to verify the identity of tenants against information already held.

### **6.8 Gas forced entry**

DDC will ensure that an unannounced tenancy audit is carried out at all properties where access has been prevented for the annual gas safety inspection, as this could indicate an abandoned property or unlawful occupation.

### **6.9 Where no repairs have been carried out to property**

Where there have not been any repairs to the property reported for a long period of time, this could indicate that the property has been sublet and therefore would be incorporated as part of the rolling programme of targeted properties where unannounced tenancy audits would be carried out.

## **7 Assignments of tenancies**

When a tenancy assignment or mutual exchange has taken place a follow-up visit will be carried out approximately six to eight weeks afterwards. At this visit a tenancy Audit Form will be completed which will include photographic identification wherever possible.

Where a tenancy assignment or mutual exchange has been refused, a follow-up visit will be carried out to ensure the assignment or exchange has not taken place without the permission of DDC.

### **7.1 Housing transfers**

DDC will ensure that whenever an application is received for a housing transfer, a home visit will be carried out and the Housing Officer will verify the tenant's identity. Tenancy details will be recorded on a Tenancy Audit Form and will include photographic identification wherever possible.

### **7.2 Right-to-buy applications**

DDC carry out comprehensive and evidence-based identity checks on all right to-buy applications, to ensure that the applicant details match the details we hold on the tenant(s).

Data will be matched internally and externally (where necessary) using dates of birth, National Insurance numbers, photographic identification and proof of address to verify the applicant's identity. Where this data is not already held by DDC we will seek to obtain proof of identity and update our records accordingly.

## **8. Staff involvement in Fraud**

DDC takes a zero-tolerance approach to staff proved to have been involved in tenancy fraud. Any staff implicated in a possible housing fraud in any manner will be referred to the Director of Governance in accordance with DDC Whistleblowing and Anti-Bribery Policy and protocol for dealing with allegations of Fraud or Corruption.

## **9. Reporting Fraud.**

DDC takes reports of alleged tenancy fraud seriously and commits to undertake an investigation for all reports received. There is an online reporting mechanism for people to report suspicions of tenancy fraud on the DDC website, however reports can also be made in writing, via email or over the phone.

## **10. Investigation**

**10.1** Upon receipt of a report of suspected tenancy fraud, the Housing Officer will carry out initial enquiries and background checks on the tenant or applicant. This may involve:

- Visits - including visiting with contractors undertaking a gas safety inspection or other maintenance visit. (See appendix 3 for good practice guide for carrying out tenancy audit visits).
- phone calls
- Texts
- E mails
- Using previously collected photo ID when carrying out tenancy visits
- Checking Facebook

- Cross checking information with other agencies
- Speaking to neighbours to gain information

If the Housing Officer feels there is a strong likelihood that fraud is being committed and have a viable case, they will refer the case to a qualified fraud team to begin a criminal investigation.

**10.2** A fully managed criminal investigation into suspected tenancy fraud is likely to involve in-depth background checks (including credit referencing and address checks), further property visits to verify circumstances, interviews (under caution, where appropriate) and surveillance.

## **11. Legal Action**

**11.1** Where there is deemed to be enough evidence of tenancy fraud, under this policy, the Councils have the power to prosecute for offences committed under the Prevention of Social Housing Fraud Act 2013. Offences carry a maximum prison sentence of two years and a fine of up to £50,000. The Act introduces new powers enabling the court to order the tenant to repay the landlord any profit that s/he may have received over and above any rent paid to the landlord. These are known as 'Unlawful Profit Orders' (UPO).

**11.2** Associated with the Act are new powers for local authorities to access information about an individual including their bank account, data from utility companies, and telecommunication companies to detect tenancy fraud

**11.3** DDC may pursue cases through the Courts to re-possess the property and where appropriate seek a criminal prosecution and ask the courts for offenders to repay any profit they have received from subletting their property. However, if the keys to the property are returned and it is not in the public interest to pursue criminal prosecution through the courts then a prosecution may not be pursued.

## **12. Performance Measure and Targets**

**12.1** Performance data about the effectiveness of our dealing with tenancy fraud will be gathered and reported annually to ensure and drive continuous improvement in our service delivery to our residents. Data will be held on numbers of tenancy fraud cases received each year, the number of properties recovered and the number of successful prosecutions.

## **13. Equality and Diversity**

**13.1** DDC is committed to promoting equality and diversity in the way we deliver our services. We take steps to ensure people are treated fairly and given equal access to the opportunities available, and that people receive fair outcomes in the standard of service they receive from us. This incorporates everyone, irrespective of age, disability, sex, gender reassignment, pregnancy, maternity, race (which includes colour, nationality and ethnic or national origins), sexual orientation, religion or belief, or because someone is married or in a civil partnership

**13.2** DDC acknowledge the need to provide an effective service, but also one that is sensitive to customers' needs. Through the implementation of this policy, DDC will treat customers courteously and be fair and objective at all times. Tenancy visits and audits will be carried out with respect to any cultural or religious practices and in accordance with their human rights.

## **14. Data Sharing**

**14.1** DDC shares relevant information with third parties for the purposes of preventing, investigating and tackling tenancy fraud. When sharing personal data, we will comply with all aspects of the General Data Protection Regulations 2016 (GDPR) and the Data Protection Act (DPA) 2018. The Council's privacy notices can be found on the Council's website at [www.dover.gov.uk/privacy](http://www.dover.gov.uk/privacy) where you can find our corporate and housing service privacy notice.

We have a data protection policy which details how we, Dover District Council as a Data Controller process personal data and comply with legislation you can find this here at <https://www.dover.gov.uk/Corporate-Information/PDF/Data-Protection-Policy.pdf>.

**14.2** The Council also participates in data matching exercises such as the National Fraud Initiative in order to detect and prevent fraud, which involves all tenant data being shared with government or other social housing providers. The Council also assists government in their fraud enquiries.

## **15. Publicity**

**15.1** Dover District Council will undertake periodic publicity campaigns to raise awareness with residents and the public that they are able to report suspected cases of tenancy fraud.

**15.2** In the event of a successful investigation, the Council will update their website where publicity is deemed to be within the public interest.

## **16. Policy Review**

**16.1** This policy will be reviewed every **three** years, unless legislation or sector development require otherwise, ensuring that it continues to meet its objectives and take account of good practice developments

