

**EXETER CITY COUNCIL**  
**EXECUTIVE COMMITTEE**  
**18 JUNE 2013**

**TACKLING SOCIAL HOUSING FRAUD**

**1 PURPOSE OF REPORT**

- 1.1 To seek approval to participate in a new Devon-wide approach to addressing the issue of social housing fraud.

**2 BACKGROUND**

- 2.1 The Prevention of Social Housing Fraud Act 2013 has created new criminal offences of unauthorised sub-letting with the prospect of imprisonment on conviction. The Act gives local authorities the power to prosecute these new offences for other local authorities and on behalf of private registered providers as well as on their own behalf.
- 2.2 Upon Royal Assent being granted to this Act the Department for Communities & local Government invited local authorities to bid for grant funding to tackle social housing fraud.
- 2.3 Plymouth City Council in partnership with registered providers within the Devon Home Choice submitted a bid and was successful in obtaining a £200,000 grant over two years.
- 2.4 Using the grant money the group intends to recruit three full time equivalent members of staff who will be managed by Plymouth City Council. The aim will be to Investigate, and prosecute where appropriate cases of possible social housing fraud from participating Devon Home Choice partner landlords. It is estimated that the three housing investigation staff would each handle a caseload of approximately fifty cases at any one time. They would seek to recover approximately fifteen homes each year that will then be advertised and let through Devon Home Choice to applicants in housing need.
- 2.5 The Plymouth managed team will;
- Provide training to partner landlords & authorities on preventing detecting and tackling social housing fraud, including using the powers of the new Prevention of Social Housing Fraud Act 2013.
  - Develop good practice resources for Devon Home Choice partners (e.g. assessment of applications, verification and data sharing protocols.)
  - Develop close and effective working links with Housing Benefit teams.
  - Develop a social housing fraud forum for Devon to share good practice and combat social housing fraud locally.

### **3. IMPLICATIONS**

- 3.1 The success of the forum approach will to a large degree be based upon the number of successful prosecutions obtained by the legal teams of the participating group members. Although the numbers of anticipated cases are not likely to be excessive, and therefore unlikely to present a resource implication, there will be a requirement to adopt a more robust approach to housing fraud. Traditionally cases of housing fraud have been difficult to pursue through the legal system due to the weight of evidence required. Where possible fraud has been identified we have considered the return of the property a successful intervention and that prosecution not to be in the public interest. As a participating member of the Devon Social Housing Fraud Forum we will be expected to prosecute where ever possible and to publicise the action in the local media to act as a deterrent.
- 3.2 The DCLG grant has presented an opportunity for participating local authorities and social landlords in Devon to create a centre of excellence that will actively demonstrate that tenancy fraud will not be tolerated and that it will be actively deterred and where appropriate, penalised.

### **4. FINANCIAL IMPLICATIONS**

- 4.1 As part of the bid process for grant money DCLG required applicants to specify their contribution to the project. The Devon Fraud Forum has estimated a combined in-kind contribution of £89,000 of staff costs which would be broken down into the following areas:
- Management time both with local authorities and registered providers,
  - Case assessment time (pre-investigation)
  - Information gathering by registered providers,
  - Meeting participation and accommodation
  - Office accommodation for staff and
  - Legal costs for prosecution cases
- 4.2 There are no direct financial implications for the Council.

### **5 RECOMMENDED**

- 5.1 That Executive welcomes the opportunity for Exeter City Council to join the Devon Social Housing Fraud Forum and take a more robust approach to tenancy fraud.

ASSISTANT DIRECTOR HOUSING AND CONTRACTS  
Originator: Phil Mills

Local Government (Access to Information) Act 1972 (as amended)  
Background papers used in compiling this report:-

None