

# Tenancy Fraud Policy

**Date:** 11.04.22  
**Author:** AD Neighbourhoods

**You're Home Now.**

<b>Document Owner:</b>	Assistant Director of Neighbourhoods		
<b>Reviewed by:</b>	Executive Director of Housing		
<b>Approved by and date:</b>	Exec & AD Group – 08 April 2025		
<b>Date Policy Created:</b>	April 2025	<b>Review Period:</b>	2 Years
<b>Policy Review Date:</b>	April 2027		
<b>Version Number:</b>	1		

## **TWO RIVERS HOUSING**

### **Tenancy Fraud Policy**

#### **1. Policy statement**

- 1.1 Tenancy fraud occurs when a Two Rivers home is occupied by someone who is either not legally entitled to be there or has obtained use of the property fraudulently. When a tenant provides false information to gain a property, sublets the property to someone else, or does not use the property as their only or main home.
- 1.2 Tenancy fraud causes significant social harm and can lead to anti-social behaviour. It deprives legitimate tenants access to affordable homes and stops us from making the best use of our available homes. Those that commit tenancy fraud are fundamentally denying access to housing for those who are genuinely in need or taking advantage of those in desperate need by sub-letting at extortionate prices. Each home recovered through the identification of tenancy fraud can be reallocated to a household in genuine need of a home.
- 1.3 The UK Government estimates that over 100,000 social housing homes are the subject of housing fraud in the UK. It is estimated to cost £900 million.
- 1.4 Social Housing Fraud is a criminal matter and is punishable by a fine or a prison sentence.

#### **2. Purpose**

- 2.1 This policy sets out the importance of us investigating tenancy fraud so that we can ensure that our homes are let and occupied by those that require social housing and that others are not financially gaining from using our homes.
- 2.2 The main purpose of this policy is to ensure Two Rivers is using its resources and housing stock effectively and efficiently.
- 2.3 Not only is it imperative that Two Rivers ensures that its resources are focused on providing housing for those that need it most but it also has a strong social and moral desire to ensure this is the case.
- 2.4 The Tenancy Standard, one of the Consumer Standards, requires Housing Associations to manage their lettings in a “*fair, transparent and efficient way*” and expects Housing Associations to demonstrate: “*how their lettings make best use of the available housing*”; “*are compatible with the purpose of the housing*” and “*how they contribute to the local authorities’ strategic housing function and sustainable communities*” (1.1.1). Furthermore, Housing Associations must make sure their homes are continued “*to be occupied by the tenancy they let the home to in accordance with the requirements of the relevant tenancy agreement*” (2.2.6).

- 2.5 This policy is intended to provide guidance to Two Rivers employees and build a culture where all staff recognise the role, they can play in assisting to prevent and detect tenancy fraud within the stock we manage.
- 2.6 This policy is also intended to provide knowledge and understanding of Tenancy Fraud to our prospective and current tenants and inform how they are able to assist Two Rivers in the investigation and prevention of fraud.

### **3. Policy Aims**

3.1 The primary aims of this policy are:

- To ensure that Two Rivers' homes are being allocated to people in the most need;
- To prevent those intending to commit fraud from doing so in the first place;
- To have robust procedures in place to detect and investigate any suspected cases of tenancy fraud;
- To respond to confirmed cases of tenancy fraud with swift enforcement in partnership with the Local Authority.

### **3. Scope**

3.1 This policy applies to all tenancy types managed by Two Rivers, including all homes it owns and manages.

3.2 This policy also applies to other forms of licences and assets that Two Rivers Housing owns across all:

- General needs homes
- HomePlus schemes
- Garages

3.2 Tenancy fraud can include:

- **Unlawful subletting** – where one of our tenants' sublets all or part of their home without our permission. This can be on a short-term or long-term basis, charging rates over the standard rental amount. This includes Airbnb models.
- **Obtaining a house by deception/ allocation fraud** – where false information is provided on a housing application in order to secure a tenancy or where an individual applied for multiple tenancies in different locations with different landlords.
- **Succession by deception** – where a person makes a false claim for succession of a home following the death of the tenant where they do not have the right to succeed
- **Key selling** – where the legal tenant is paid to pass on their keys, or an employee takes payment to give a tenancy to someone not entitled to live there.

- **Non occupation of the property as their principal home** – excluding abandonment
- **False application for a joint tenant**

## **4. Responsibilities**

### **4.1 Executive Team and Assistant Directors:**

- Ensure their areas of the business consider tenancy fraud risk and that effective controls are in place to manage these risks.
- Encourage a culture where colleagues feel confident to report legitimate concerns regarding tenancy fraud promptly.
- Ensure team that they are responsible for attend training made available by Two Rivers to build knowledge of tenancy fraud across the organisation.

### **4.2 Assistant Director of Neighbourhoods:**

- Communicates the importance of tenancy fraud prevention, detection, and investigation to colleagues;
- Ensures we respond promptly to allegations of tenancy fraud and that Tenancy Fraud Register is updated.
- Ensures that all colleagues are aware of their responsibilities and receive appropriate tenancy fraud awareness training.

### **4.3 Head of Neighbourhoods:**

- Develops and implements operational procedures to deliver the Policy objectives.
- Embeds the Policy through staff training, learning and development.
- Ensures that there are adequate checks and controls in place to ensure that this Policy is effective.
- Monitors, amends, and enhances the delivery of this Policy.

### **4.4 Neighbourhood Managers:**

- Take a lead in investigate cases of tenancy fraud that are reported by neighbours or where concerns are raised by colleagues or other agencies.
- During the sign up of a new tenancy the Neighbourhood Manager will check the ID that has been provided by the prospective tenant/s against our records for accuracy. If an applicant does not have the required ID, the letting cannot take place.
- On home visits will carry out checks to confirm tenant's identities and household composition.
- Investigate signs of non-occupancy

#### 4.5 Lettings Team Leader:

- Monitor allocations, lettings, and sign-up process to ensure that we are working in line with this policy.
- Carry out sample audit checks on a regular basis to ensure we comply with this policy to prevent tenancy fraud.

#### 4.6 Lettings Assistants:

- Verification of information provided at pre- tenancy and allocation stage to ensure information given to us by applicants is correct against information on the Choice Based Lettings Register. We will also request photographic ID that can be checked at point letting a home;
- Carry out address history checks;
- Ensure we will store ID copies on tenancy files so we can compare this when carrying out tenancy audits.

### **5. Preventing and Investigating Tenancy Fraud**

5.1 We will always aim to prevent tenancy fraud. Prevention aims to stop fraud from occurring in the first place through the methods available to us.

5.1 We will carry out pre tenancy verification checks to ensure that each home is let and occupied by the person it was allocated to, and our tenancy agreements have clauses relating to absence from the home, subletting, succession, and transfers.

5.2 We have policies in place on a range of tenancy matters that can give rise to tenancy fraud such as Allocations, succession, tenancy management.

5.3 If we need to undertake further checks on an individual there are several options available-

- Utilise Local Authority records such as Council Tax and benefit records
- Carry out checks with Cotswold Fraud Services
- Check on the Electoral Register
- Work with the National Anti-Fraud network
- Look on credit referencing Agencies

5.4 We will work with Local Authority partners and other agencies to detect, investigate and take legal action against tenancy fraud. We will share information in the purpose of preventing and detecting crime.

5.5 We will encourage local residents to report any suspicions of tenancy fraud and investigate all tip offs.

- 5.6 We will operate in accordance with the Prevention of Social Housing Fraud Act 2013.

## **6. Taking Action Against Tenancy Fraud**

- 6.1 Two Rivers will take a balanced and proportionate approach throughout the investigation process. Each case will be treated based on its own merits and circumstances, and will take account of relevant factors which includes:
- The length of time which any fraud has occurred;
  - The wilfulness with which the fraud has been committed;
  - Evidence which shows the intent of the person to commit tenancy fraud;
  - Any vulnerabilities of the tenant or household involved in the fraud;
  - The potential for adverse impacts on households, or unintended consequences of enforcement action;
  - Any other mitigating circumstances
- 6.2 If we think fraud is taking place we will investigate, gather evidence, and build a case. This will include speaking to neighbours, home visits and contact with other agencies.
- 6.3 Where our evidence suggests that fraud is taking place, the tenant will be notified and asked to provide evidence on the legal use of their home.
- 6.4 If the tenant cannot evidence their right to live there legally, we have the right action to re-possess the home and look to recover legal costs.
- 6.5 We will report suspected tenancy fraud to the Local Authority and Police in accordance with the Prevention of Social Housing Fraud Act 2013.
- 6.6 Where we recover possession of homes that were subject to tenancy fraud, we will reallocate in line with our Allocations Policy.
- 6.7 Where we obtain information that the tenant had given false information to be eligible for social housing, we will seek to take action to end that tenancy.
- 6.8 We recognise that there may be individuals living in our homes as unauthorised occupants that are unaware that fraud has been committed. We will give information and advice to such individuals.

## **7. Monitoring Housing Fraud**

- 7.1 Records will be kept on our Housing Management System (MIS/CRM).
- 7.2 We will keep a record of the number of cases of tenancy fraud that we investigate.
- 7.3 Where tenancies have a large credit balance (over £1000) we will contact the tenant and find out the reasons for this. We will always attempt to return credit balances to the tenant, leaving s month's credit.
- 7.4 We will look for suspicious payment activity and query this with the tenant.

- 7.5 Audit, Risk and Assurance Committee are responsible for monitoring the effectiveness of systems and controls annually.
- 7.6 The Assistant Director of Governance and Assurance provides a quarterly compliance assurance statement to Audit, Risk and Assurance outlining any cases of actual or suspected fraud reported.

## **8. Equality and Diversity**

- 8.1 Two Rivers is committed to the principle of equality of opportunity in the delivery of its services. TRH aims to ensure that all of its customers are dealt with fairly and equitably and, where possible, taking into account the diverse nature of cultures and backgrounds.
- 8.2 Two Rivers will actively work towards promoting good relations, eliminating discrimination and addressing existing disadvantage in relation to different groups on the basis of race, colour, ethnic and national origin, nationality, gender, disability either mental or physical, religion, sexual orientation, marital status, HIV/AIDS, responsibility for dependants, trade union activity, and age.

## **9. Implementation, monitoring, and review**

- 9.1 The Assistant Director of Neighbourhoods is responsible for ensuring that this policy is communicated and implemented.
- 9.2 It is the responsibility of all of Two Rivers colleagues to ensure that this policy and any procedures related to it are properly implemented.
- 9.3 Two Rivers will provide training for colleagues to enable them to fully understand this policy and the procedures relating to it in order that it is implemented by experienced and qualified staff.
- 9.4 The Assistant Director of Neighbourhoods is responsible for monitoring this policy and ensuring regular reviews of this policy and that any procedures related to it together with staff training needs are completed, to ensure that TRH continues to operate in line with best practice.
- 9.5 There will be an automatic review of this policy whenever there is a change of policy from the government, the Homes & Communities Agency or change to legislation. In the absence of any other trigger, the policy will be reviewed at intervals of no more than two years.



Version	Date	Author	Change description	Approved by	Date approved
1	April 2025	LE	New Policy		

Responsible Officer: **AD Neighbourhoods**  
 Author: **AD Neighbourhoods**

Date last reviewed: **04.2025**  
 Next review date: **04.2027**