Policy Name: **Housing Counter Fraud Policy**

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1. Purpose & Scope

1.1. This Policy has been created to support staff when dealing with allegations of housing fraud involving Midland Heart customers. Social housing is in short supply, and Midland Heart is committed to making sure that our homes are lived in by those who need them most and by those they are intended for.

1.2. Midland Heart takes seriously any suspicion of housing fraud and will take necessary action in line with this Policy and Procedure.

1.3. All staff, colleagues, contractors, and tenants.

2. Policy Document Version Control

Version	Date	Review/Health Check.
1.4	August 2024	Housing Counter Fraud Policy
1.5	June 2026	Migrated to new corporate template; accessibility, awareness and reasonable adjustment provisions included.

3. Introduction

3.1. Midland Heart is committed to making the best possible use of housing stock and ensuring that those in genuine housing need are placed into our homes. Fraud prevents those in genuine housing need from gaining access to social housing and from enjoying the security and stability provided by a tenancy with Midland Heart.

3.2. We aim to prevent, detect, investigate, sanction, and seek financial redress in cases of suspected Tenancy Fraud within Midland Heart's housing stock.

3.3. This policy is to ensure that (a) housing is made available to those assessed as being in genuine housing need; (b) those intending to commit fraud (whether knowingly or unknowingly) are prevented from doing so; and (c) those committing fraud are appropriately sanctioned under the criminal and/or civil law for their actions.

3.4. Midland Heart aims to reduce the likelihood of our housing stock being obtained or used fraudulently and mitigate the risks where fraud does occur, through detection and appropriate action to recover possession of our properties.

Content

4. Definitions

4.1. Fraud - This Policy defines "Fraud" as, "any false representation, including a failure to declare information, or an abuse of position that is carried out to receive a gain, cause loss or expose another to the risk of loss be that by way of intention or not."

4.2. Customer - A Midland Heart tenant or housing applicant

4.3. Tenant - the occupier(s) who signed a Midland Heart tenancy agreement, as a sole or joint tenant, or the occupier(s) who inherited the tenancy on the death of the previous tenant or to whom the tenancy was assigned with Midland Heart's consent.

4.4. Notice to Quit - A Notice to Quit (NTQ) is a written legal notice served by a landlord on a tenant, or by the tenant on a landlord, which, when it expires, has the effect of legally bringing the contractual tenancy between them to an end. 1 An NTQ served by a landlord must contain specific "prescribed" information, or it will be invalid and the tenancy will not end until a valid NTQ expires.

A valid NTQ must:
- Be in writing
- Give at least 4 weeks' notice (if the tenancy was weekly) and expire on the first or last day of a period of the tenancy
- Contain the prescribed information

4.5. Deed of Surrender - A legal deed releasing the Landlord and tenant from their obligations under a fixed term tenancy agreement. A deed must be agreed and signed by the landlord and tenant.

4.6. Eviction - Where Midland Heart has been through court proceedings for possession, obtained a possession order from the courts, applied for a warrant for possession and the Court Bailiff has carried out the eviction. A tenancy ends when an eviction takes place.

4.7. Mesne Profits - Money taken by Midland Heart from the occupier of a dwelling who is not a tenant. These payments are not rent but are payments for the use and occupation of the dwelling.

This is a specific legal term which avoids the creation of a tenancy by default. The amount of mesne profit, payable by an occupier, will normally be equivalent to the rental value of the property.

5. Types of Fraud

5.1. This policy refers to several distinct types of tenancy fraud, as detailed below. This is not an exhaustive list.

5.2. Fraudulently obtaining or attempting to obtain a tenancy - Where a customer obtains, or attempts to obtain, a tenancy from Midland Heart by making a false representation, failing to provide necessary information, or using forged documents

5.3. Joint tenancy fraud – Where a sole tenant tells Midland Heart that their partner has moved in and they would like to be joint tenants. As soon as the joint tenancy is created, the original tenant moves out, which means the remaining tenant (who often would not be regarded as having a social need) remains in the property.

5.4. Abandonment or non-occupation by the customer as their principal home – Failing to reside in the property as the customer's only or principal home. This may mean the customer spends regular periods of time away from the property, without notifying Midland Heart, or has abandoned the property Staff must follow Customer Hub and Housing Management procedures as appropriate when investigating and addressing abandoned property cases.

5.5. Unlawful subletting (either whole, part, or multiple sublets within one) – Subletting part of the property (without the permission of Midland Heart where permission is required) or subletting the whole of the property, including through estate/letting agents or other third-party agencies. This may involve charging the Sublette as a 'rent' for living in the property. This 2 is a criminal offence which attracts a custodial sentence under the Prevention of Social Housing Fraud Act 2013 and the Fraud Act 2006. Staff must follow Subletting Policy and Procedure and/or Unauthorised Occupier Procedure as appropriate.

5.6. Wrongly claimed succession – This may take place by any member of a deceased tenant's family or household who present themselves as eligible for succession based on statutory rights or rights conveyed by the tenancy conditions. An example of this is, in the case of a Secure Tenancy, someone claims to be a relative of the deceased tenant, and they resided at the property for 12 months prior to the Tenant's death. Staff must follow the Succession Policy and Procedure for further guidance.

5.7. Unauthorised assignments (including mutual exchanges) – Where a customer assigns their tenancy without the permission of Midland Heart (where applicable) and/or where payment is made for mutual exchanges. Staff must follow the Succession, Assignment and Mutual Exchanges Policy and Procedure and/or Unauthorised Occupier Procedure as appropriate.

5.8. Key selling – This includes selling the keys in return for monies or services. If a customer is granted a tenancy but never moves in and instead sells the keys to a third party, then this constitutes a criminal offence. Likewise, the person who purchases the keys may present themselves as the customer to continue the tenancy and enjoy the benefits.

5.9. Failure to notify the landlord of the customers death – Family members of the deceased customer may not inform Midland Heart of the death of the customer to continue with the tenancy. Staff must follow Death of Tenant Procedure as appropriate.

5.10. Cuckooing / Mate Crime – This is where vulnerable tenants may be targeted, by fraudsters, to use their tenancy for unlawful and/or criminal activity. See the Safeguarding Policy and Procedure and Anti-

Social Behaviour Policy.

5.11. Right to Buy / Acquire fraud – This includes someone making false representations to pursue and/or secure the Right to Buy/Acquire and/or making a false representation to claim a discount they are not entitled to and/or to avoid repayment of a discount. Staff must follow the Right to Buy/Acquire Policy and Procedure as appropriate.

6. Investigating Fraud

6.1. Midland Heart will investigate any suspicion of fraud in a thorough and timely manner to limit the impact fraud has on our social housing stock. We shall investigate fraud by responding promptly to reports or suspicions of Fraud and gather evidence which comes from a variety of sources, including but not limited to: • Housing Management and other Operations Directorate Officers / contractors / other staff • Neighbours • Existing customers • Unusual tenancy activity or service demand 3 • The Police and other partner agencies • Periodic tenancy checks • Periodic data matching exercises with other agencies, and third parties, for the purpose of fraud detection

6.2. Midland Heart liaises closely with internal departments and other agencies, including Registered Providers and Local Authorities, when investigating, for the purpose of preventing, investigating, and tackling tenancy fraud. When sharing personal information, we will comply with all aspects of the Data Protection Act 2018 and the General Data Protection Regulation.

6.3. We will also share information: • To meet our legal obligations • In connection with legal proceedings (or were instructed by Court Order) • To protect the vital interests of an individual (in a life-or-death situation)

6.4. Our customer privacy notice provides further information around our use of personal information for preventing tenancy fraud and our engagement in anti-fraud initiatives including the National Fraud Initiative. This will be in accordance with Data Protection legislation and may include the sharing of information contained in files.

6.5. Where there is a reasonable suspicion that an individual is trying to commit, or has committed, a housing fraud Midland Heart will make use of economic activity and other data tracing tools to collect evidence, detect, and take appropriate action to stop the fraud.

6.6. Good practice on investigation techniques and tactics will be collected and shared regularly with officers involved in fraud investigations to ensure we are as effective as possible in fraud detection.

6.7. Midland Heart recognises that fraud is most often identified and reported by neighbours. Midland Heart will publicise the impact of fraud and promote confidential reporting of fraud by customers and members of the public.

7. Prevention of Fraud

7.1. Midland Heart recognises that cases of fraud may occur. However, the following actions will be taken to prevent, and mitigate, the risks of fraud:

7.2. Applicants and tenants will be required to provide signed declarations, at key stages in housing processes and as determined necessary by the author of the policy or procedure. This is a first measure to counter fraud and will be used as an opportunity to communicate to the person, making the declaration, which should they knowingly or recklessly make false statements which lead to, or were intended to lead to, unfair advantage or gain then action will be taken against them for housing fraud.

7.3. Housing applicants will be asked to provide proof of identity and residency (including any Child Benefit details if relevant), when offered a property. "Tenants may be asked to provide proof of identity and residency at the start of their tenancy, during periodic or targeted tenancy checks, during appointments to deal with significant tenancy management issues, or as part of any fraud investigation."

7.4. Where photographic ID is not provided, a full-face photograph will be taken of the customer and held on their housing records for the purpose of conducting identity checks. Customers will be required to provide identification from an approved list of documents (documents accepted for this purpose will mirror those set out in the Allocation Policy for guidance on right to rent checks).

7.5. Applicants and Tenants will be required to provide National Insurance Numbers as part of the household data we collect, hold, and regularly update. This will reduce the opportunity for identity fraud.

7.6. Impersonation unlawful subletting. (Further information available via the Home Office under the 'Guidance on examining identity documents 2016'.

7.7. The customer will be requested to bring proof of identity to the pre-tenancy interview or tenancy sign up.

7.8. During the duration of the tenancy, Midland Heart colleagues may check to ensure that occupancy of the premises has been taken up, and to validate the customers living in the property are those on the housing application. Further visits, to confirm the continuation of residency, will be carried out periodically and/or as part of a fraud investigation.

8. Action Against Fraud

8.1. Midland Heart intends to bring possession proceedings against any customer who has committed fraud or is believed to have committed fraud. Midland Heart will also encourage and support criminal proceedings by the Police and/or Local Authorities against those who have committed Fraud. Midland Heart shall inform partners to support criminal prosecutions.

8.2. Tenants who are the victim of Housing Fraud, or sub-tenants who are at risk of being homeless because of action taken to recover possession of properties that have been unlawfully sub-let, by the tenant, will be provided support and housing options advice in line with the Allocations Policy.

8.3. Midland Heart will also act to recover any monies obtained by a person as a result of the housing fraud.

8.4. Where fraudulent applications for the Right to Buy are detected, before the completion of sale, the applicant will have their application cancelled. Midland Heart will also encourage and support criminal prosecutions by Police and/or Local Authorities.

8.5. To deter other customers, who are considering committing a housing fraud, Midland Heart will publicise details of any action taken to counter fraud, including details of individual prosecutions or possession orders, as well as unlawful profit orders.

8.6. Midland Heart will, on a case-by-case basis, have regard to any exceptional circumstances that may prevail. Any exceptional circumstances must be raised by the customer, and, in 5 6 such cases, Midland Heart may use its discretion to take other legal enforcement action that is both reasonable and proportionate to the circumstances of the case.

8.7. There may be occasions where there is good reason to apply discretion when deciding the

appropriate resolution to fraud. We will always consider the individual circumstances of the case and the individual involved when making our decisions.

9. Ensuring we are doing what we say…

9.1. The monitoring of fraud cases and outcomes is essential to track the impact of our approach to managing the risk of fraud. The following performance data will be collected and reported on:

- Number and type of fraud cases investigated
- Number and type of fraud detections
- Number and type of fraud sanctions
- The cost-of-service delivery and value of fraud

10. Legal Framework

Legislation	Main powers
Prevention of Social Housing Fraud Act 2013	Sections 1 and 2 makes it a criminal offence to sublet, or not reside at, your property and where you dishonestly breach terms, or implied terms, of the tenancy agreement
Housing Act 1985	Ground 5 of Schedule 2 of the Act allows the Landlord to obtain possession where tenant makes a false or untrue statement in order to gain a property.
Housing Act 1988	Ground 17 of Schedule 2 of the Act allows the Landlord to obtain possession where Midland Heart was induced into offering a tenancy to a customer through fraud.
Fraud Act 2006	Section 1 makes it a criminal offence to commit any act of fraud. Section 2 and 3 define the act of committing fraud.
Theft Act 1968 and 1978	These statutes give Local Authorities powers to prosecute. Midland Heart may ask Local Authorities to investigate, and prosecute, tenants who have committed housing fraud.

Accessibility and Awareness

Midland Heart accepts reports of fraud through all available communication channels, including telephone, email, social media, website contact forms and directly to colleagues.

Where reports are received through social media, Midland Heart will seek to move communications to private channels to maintain confidentiality and protect personal information.

We will promote the methods available for reporting fraud through our website, social media platforms, leaflets, posters, tenant communications, and other appropriate channels.

We will undertake targeted awareness campaigns where appropriate and will seek to make information available in accessible formats and languages to ensure that all customers and communities are able to report concerns.

Reasonable Adjustments and Support

Midland Heart recognises that some customers may require additional support when reporting suspected fraud or engaging with fraud investigations.

We will make reasonable adjustments where required to ensure customers can access our services and participate effectively in the process.

There is no prescribed list of reasonable adjustments. Any adjustment will be considered based on the individual's circumstances and requirements and will be discussed with the customer concerned.

In most cases, adjustments can be agreed and implemented promptly. Where appropriate, advice may be sought from specialist agencies or support organisations.