

WAVERLEY BOROUGH COUNCIL

EXECUTIVE – 7 FEBRUARY 2017

Title:

UPDATING THE SCHEME OF DELEGATION FOR RESPONDING TO SOCIAL HOUSING TENANCY FRAUD

**[Portfolio Holder: Cllr Carole King]
[Wards Affected: All]**

Summary and purpose:

This report seeks approval for a proposed addition to the Scheme of Delegation for Housing, to enable legal action to be taken against perpetrators of social housing fraud and in accordance with the Prevention of Social Housing Fraud Act 2013.

How this report relates to the Council's Corporate Priorities:

The report contributes to meeting the following Council's Corporate Priorities.

Community Wellbeing: ensuring maximum benefit is made of social housing by confirming those in genuine housing need are occupying council homes.

Value for Money: ensuring maximum benefit is made of social housing by confirming those in genuine housing need are occupying council homes and prevent loss of assets through fraudulent Right to Buy.

Financial Implications:

The implementation of the Policy will be met within existing resources. This includes the approved budget for the Fraud Investigation Officer, funded by the HRA and Surrey Counter Fraud Grant.

Additional financial resource may be required for legal fees if prosecution routes are taken. Each case will be considered separately and if additional funding is required this will be requested through Executive and Council accordingly.

Legal Implications:

The Legal Services team has been involved in the drafting of the additional text and are supportive of the proposal to add the Act to the Scheme of Delegation.

Introduction

1. The Prevention of Social Housing Fraud Act 2013 introduced a range of new powers for housing providers in addition to making it a criminal offence for tenants to sublet or part possession of their socially rented home.

2. The Act gives local authorities the power to prosecute for this new offence. There is no obligation to bring criminal proceedings social housing landlords can decide the most appropriate way forward.
3. The penalties for committing social housing fraud, if convicted, range from a £5,000 fine to up to two years imprisonment and a fine of £50,000.
4. The Corporate Overview and Scrutiny Housing Improvement Sub-Committee received a revised Tenancy Fraud Policy and cover report on 9 January 2017. The Committee supported the Policy and requested the addition of a reference to data protection and expanded the awareness section.

Proposed addition

5. It is proposed that the Scheme of Delegation be amended as follows:

“152A Authority to prosecute persons for offences under the Prevention of Social Housing Fraud Act 2013.

Borough Solicitor upon the recommendation of the Head of Housing Operations.”

and

“152B Authority to seek restitutionary payments in accordance with the Proceeds of Crime Act 2002, and request data sharing with banks, utility, telecommunication companies and any other organisation that information may be required from to tackle and detect tenancy fraud in accordance with the Prevention of Social Housing Fraud Act 2013.

Head of Housing Operations after consultation with the Portfolio Holder for Housing.”

Conclusion

6. The proposed changes to the Scheme of Delegation are intended to give the Housing Service the ability to seek detect, tackle and deter social housing fraud in addition to holding fraudsters to account.

Recommendation

It is recommended that the Executive agrees the proposed changes set out in paragraph 5 and recommends to the Council that the Scheme of Delegation be amended accordingly.

Background Papers

There are no background papers (as defined by Section 100D(5) of the Local Government Act 1972) relating to this report.

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