

Decision Maker: **Executive**

**For Pre-Decision Scrutiny by the Care Services PDS Committee on
29th October 2013**

Date: **20th November 2013**

Decision Type: Non-Urgent Executive Non-Key

Title: **APPROVAL TO DRAWDOWN THE SOCIAL HOUSING FRAUD
INITIATIVE GRANT**

Contact Officer: Sara Bowrey, Assistant Director Housing Needs Service
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Chief Officer: Executive Director of Education, Care & Health Services

Ward: (All Wards);

1. Reason for report

In February 2013 the department of communities and local government invited local authorities to bid for ring fenced funding of up to £200,000 over a 2 year period to support housing associations with stock in their areas to identify and tackle incidents of social housing fraud. Following approval by the Portfolio Holder, a successful funding bid was submitted achieving the maximum funds available for the 2 year period.

This paper seeks approval for drawdown of this successful funding bid of £200K over 2 years.

2. **RECOMMENDATIONS**

(1) The Care Services PDS Committee are asked to consider the content of this report and recommend that the Executive approve the proposals outlined.

(2) The Executive is asked to approve the proposals for planned expenditure of this grant and approve drawdown of the grant funding totalling £200K, payable in two instalments of £100K. The initial instalment has now been received and is awaiting approval to drawdown to proceed with the project. Drawdown of £100k is required to meet the expenditure requirement in 2013/14

Corporate Policy

1. Policy Status: Existing Policy: The commitment and policy to tackle housing fraud is contained within the Homelessness and Tenancy Strategies and also forms one of the priorities in the Portfolio Plan
 2. BBB Priority: Excellent Council Quality Environment Safer Bromley Not Applicable: Further Details
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Financial

1. Cost of proposal:
 2. Ongoing costs: Non-Recurring Cost:
 3. Budget head/performance centre: separate ring fenced grant funding to support housing associations.
 4. Total current budget for this head: £n/a
 5. Source of funding: DCLG social housing fraud grant funding
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Staff

1. Number of staff (current and additional): N/A
 2. If from existing staff resources, number of staff hours:
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Legal

1. Legal Requirement: Non-Statutory - Government Guidance in line with the social housing fraud act and accompanying good practice guidance to ensure best use of available housing stock.
 2. Call-in: Applicable
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Customer Impact

1. Estimated number of users/beneficiaries (current and projected): Bromley is faced with increasing levels of housing need, with more than 6,000 households approaching for advice and assistance each year. There are currently around 850 households residing in temporary accommodation to whom the council owes a statutory rehousing duty under the homelessness legislation. In total there are around 2,700 households on the housing register. Overall there are around 17,000 social housing units within the borough. Tackling social housing fraud assists in ensuring that best use is made of the available social housing stock to meet housing need in the borough.
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Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 Social housing is a valuable asset. The government is committed to tackling fraud in social housing to ensure that all available stock can be used effectively to meet housing need. Alongside the introduction of the social housing fraud act, the government has also made additional funding available for local authorities to support housing associations to tackle social housing fraud in their stock.
- 3.2 During the past 2 years a level of the funding from the homelessness grant has been allocated to pilot work around tackling social housing fraud to support the priorities set out in the homelessness and tenancy strategies around making best use of the available existing housing stock to reduce homelessness and meet housing need within the Borough.
- 3.3 This work was undertaken in partnership across the South East London Housing Partnership. In Bromley this predominantly focused on the stock owned by Affinity Sutton as the largest social housing landlord operating in the Borough. This work has successfully recovered 57 social housing units, which have then been able to be let to those households with the highest priority on the housing register. It further verified more than 150 properties and prevented 1 fraudulent right to buy application, ensuring a much needed 4 bedroom house remains in the social housing sector.
- 3.4 Whilst this work provides a firm foundation, much still needs to be done to ensure that all housing associations operating in the Borough are able to effectively identify and tackle housing fraud in their stock.
- 3.5 Bromley has successfully bid for the maximum grant funding available of £200,000 over the next 2 years to work with the Greenwich fraud team and our housing association partners to build on the lessons learnt from the above pilot to prevent, identify and tackle social housing fraud.
- 3.6 Approval is therefore now being sought to drawdown this funding to commence the project.
- 3.7 The funding will be used to undertake the following key areas of work with our housing association partners:
- An intensive programme of training, skills development and support for housing associations.
 - A targeted audit programme of properties
 - Data matching to identify potential fraud, both with existing properties, temporary accommodation and open housing applications.
 - A time limited specialist-investigating officer to work with each housing association to maximise the number of audits undertaken and properties recovered.
 - Specialist advice and legal support
 - Use of out of hours visiting service in order to assist in evidence gathering
 - Follow up after care service for specific/complex cases.
- 3.8 To date 20 housing associations/temporary accommodation providers have given the commitment to participate in the initiative. Each participating housing association will sign up to an agreed terms of reference effectively setting out their tailored programme of training, support and work. This will include agreed outcomes based on their specific stock and a commitment to

treating social housing fraud as a corporate priority and achieving self-sufficiency on fraud work following the intensive funding period.

3.9 There will also be a sub-regional element to coordinate the work across the region and improve intelligence and information sharing on potential fraud across boroughs. This element will also include a small borough contribution to enable housing association working with a particular borough to also tackle social housing fraud in the other boroughs thus maximising the effectiveness of the initiatives across the region.

3.10 The funding is proposed to be allocated on an annual basis as follows, although it is proposed to allow a level of flexibility to move funding between these elements as required to maximise results.

Expenditure	2013/14	2014/15	Description
Greenwich Fraud Team	£54,000	£54,000	<p>This will fund the dedicated work with housing associations and temporary accommodation provider in relation to the data matching through, specialist dedicated officer, visiting and legal advice.</p> <p>Greenwich will invoice as costs are incurred following work with each of the housing associations – full spend is anticipated over the term of the project however it is possible that a small underspend in year 1 will occur, to be spent in year 2 as the number of housing associations ready to participating increases. This is due to the lead in preparation period during which the credit checks and data analysis are undertaken to inform the targeted work being undertaken.</p>
Affinity Sutton	£38,000	£38,000	<p>This includes a dedicated fraud officer to maximise tenancy audit and investigative work within Bromley, together with designing, hosting and undertaking the programme of training for all other housing associations.</p> <p>Full spend anticipated in each of the 2 years</p>
South East London Housing partnership	£8,000	£8,000	<p>Sub-regional intelligence, data gathering and to contribute to the cost of recovering where housing associations are working across boroughs. Monitoring and data gathering</p> <p>Full spend anticipated in each of the 2 years</p>
Total	£100,000	£100,000	

3.10 Progress and outcomes will be reported regularly within the management team performance monitoring and will be included in the performance reports presented to the Care Service PDS committee.

4. POLICY IMPLICATIONS

- 4.1 These objectives are compliant with the statutory framework within which the Council's Housing function must operate and incorporates both national targets and priorities identified from the findings of review, audits and stakeholder consultation.
- 4.2 The objectives also assist in achieving targets set out within Building a Better Bromley, objectives set out within the Housing Strategy (to be updated in 2013-14), Homelessness Strategy and draft Tenancy Strategy.

5. FINANCIAL IMPLICATIONS

- 5.1 The grant funding has been made available purely for social housing fraud work with our housing association and housing providers. It is ring-fenced and can only be drawdown form central government for this use.
- 5.2 There are no other direct financial implications of this report, however tackling any incidents of social housing fraud ensures that the available stock is used to meet housing need and thus can assist in reducing the reliance on temporary accommodation and associated costs.

6. LEGAL IMPLICATIONS

- 6.1 The grant funding must be used for the purpose of tackling social housing fraud to meet the government's commitment to tackling fraud in line with the social housing fraud act.
- 6.2 As this work is essentially a continuation of the earlier pilot the necessary arrangements and protocols are already in place and operational in respect Greenwich fraud team and our housing provider partners.

Non-Applicable Sections:	Personnel
Background Documents: (Access via Contact Officer)	Homelessness strategy 2013 – 2017 Tenancy Strategy 2013 - 2015