

FRAUD, CORRUPTION AND FINANCIAL IRREGULARITIES – RESULTS OF CASES CLOSED 01/04/18 to 30/09/18

Offence/irregularity, sanctions and redress	Key outstanding actions
<p><u>Housing Tenancy</u></p> <p>1. (2996) Abandonment: Referral from MPCH of abandonment. Initial investigations suggested that someone may be living at the property. Unannounced visits made which confirmed that the tenant is not resident but family members who had not been included within the details of known occupants were staying at the property. Rent arrears were accruing and evidence of unauthorised occupation provided an available for legal recovery action. Notices were issued and following Court action vacant possession was obtained and property released for others in need of social housing.</p>	None
<p>2. (3760) Subletting - Referral from TVHA. Initial investigation checks yielded evidence that tenant had another social housing tenancy in Malvern and that it was likely that he was allowing a relative to use his TVHA tenancy. Tenant requested to attend a formal interview. During interview, the tenant admitted to allowing her sister to reside at the TVHA property but claimed that they had not gained financially. Having been confronted with the evidence the tenant and chose to complete a Tenant's NTQ and surrendered vacant possession. Property released for others in need of social housing.</p>	None
<p>3. (3948) False succession claim: Referral from Clarion. Tenant's son claimed that the tenant had died abroad in Kenya but due to the location where they died it would not be possible to obtain a death certificate. He wished to succeed the tenancy. Enquiries made with the UKBA identified that the tenant had returned to the UK within a month of her alleged death. Other systems checks completed but with no trace of her current whereabouts. The tenants son refused to The succession has been denied and as a result of subsequent court proceedings, possession was awarded and the property recovered on 11/09/2018</p>	None
<p>4. (4607) Subletting – Pro-active data match project highlighted subletting concern. Investigation, including UK Border Agency checks revealed that the tenant had left the UK with further social media checks placing the tenant in Malta. Credit check linked the tenant to a property in Nottinghamshire although not shown to be the resident there. Visits made to property where sub tenant found in situ. Witness statement obtained with details of deposit and rental payments made to the tenant. Notice served by and following Court action outright possession awarded, and property released for others in need of social housing.</p>	None

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<p><u>Right to Buy:</u></p> <p>5. 17 RTB applications are being reviewed with priority given to applications where the tenants are receiving Housing Benefit. Applicants details are cross-checked with other Council systems and credit records to ensure that the eligibility criteria are met, visits are undertaken where needed. Following intervention, including visits, 7 applications (2589, 2606, 2640, 2829, 2839, 3039, 3295) have been cancelled, 3 referral closed with no concerns with 7 referrals still under review.</p>	<p>Continue to review referrals, cross-checking applicants' details with other Council systems and accessible credit data, visiting applicants where necessary.</p>
<p><u>Corporate Internal</u></p> <p>6. (2349) Failure to declare Company Directorship. Management referral that an employee had failed to declare their links with a Company who operates within the borough. Investigation confirmed that the officer was a Director of the company and had been involved in processing applications from that company. When approach by his Manager and HR the officer resigned. Officer requested to attend for formal interview. At the interview they admitted their involvement with the company, assisting in processing applications from the company and obtaining a financial benefit. Case considered for prosecution for an abuse of position but unable to progress due to insufficient evidence including a key witness had left the country prior to providing a witness statement.</p>	<p>None</p>
<p>7. (3869) Employee Theft: Management referral raising concerns over increase volume and value of petty cash transactions. Investigation confirmed that the responsibility for daily cash handling and banking resided with the school's Finance Assistant. An examination of accounting records highlighted a pattern of inflated petty cash claims that were all processed by the Finance Assistant. The examination of records also highlighted shortfalls in income banked. Officer requested to attend for formal interview but failed to respond. Officer they submitted their resignation. Details of employee theft passed to Police who are investigating. The School's cash handling procedures were reviewed, usage reduced, and controls strengthened with increased supervisory oversight to prevent any similar occurrence.</p>	<p>None</p>
<p><u>Corporate External</u></p> <p>8. (2000) HB/CTR failure to declare changer in earnings: Referral from Revenues Team claiming that a school-based employee was claiming HB and CTR that they were not entitled to. Details passed over to the DWP for investigation into potential HB fraud and joint investigation was initiated. Employee attend for formal interview during which they admitted their failure to report a change in their employment status. DWP acknowledged officer's cooperation and admission and issued an Administrative Penalty with the employee to repay overpaid benefits on just over £2k.</p>	<p>None</p>

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9. (4137) SPD/HB/CTR failure to declare non-dependant: Pro-active data matching exercise highlighted concerns over the accuracy of applicant's SPD claim. Investigation confirmed that a second adult was in residence and that as an undeclared non-dependant this also impacted their claim for HB/CTR. Applicant requested to attend for formal interview but failed to attend. SPD cancelled and HB/CTR overpayment raised.	None
10. (4209) Blue Badge Misuse: Referral from a member of the public claiming that someone was continuing to use their late father's blue badge to park a vehicle in the disabled bay, in their road. Checks undertaken on the badge confirmed that the holder had died three months prior to the referral. A visit was made to the property and the badge recovered. A recommendation was also made to revoke this specific disabled bay in the street.	None
11. (3794) School Admissions: Referral from School Admissions Team who suspected that a family had given a false address on an application for a place at a particular school. Investigation confirmed that the family had purchased a second property and they had made a parental statement to say that they were living there. However, internal checks showed that they were still liable for Council Tax on the first property. The records also showed they had given the address of their first property as the contact address to Council Tax Team for the second property. An unannounced visit was made to the second property address. When officers arrived at the address, they found that firemen were attempting to enter the address as a fire alarm had gone off. They were informed that the property appeared to be being refurbished, did not appear to be lived in. Report and evidence obtained passed to the School Admissions Team who turned down the application.	None

Glossary

CTR	Council Tax Reduction	DWP	Department for Works and Pensions
HB	Housing Benefit	HR	Human Resources
MPCH	Merton Priory Circle Homes (now Clarion)	NTQ	Notice To Quit
RTB	Right to Buy	SPD	Single Person Discount
TVHA	Thames Valley Housing Association	UKBA	United Kingdom Boarder Agency

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