

FRAUD, CORRUPTION AND FINANCIAL IRREGULARITIES – RESULTS OF CASES CLOSED FOR 2018/19

Offence/irregularity, sanctions and redress	Key outstanding actions
1. (3110) Suspected abandonment: Referred by SHP income team due to lack of contact from the tenant regarding rent arrears. Investigation confirmed the tenant to be residing in Spain with others financially linked to the property for over a year. Notices issued, and subsequent vacant possession awarded.	None
2. (3373) Suspected abandonment: Referred by SHP who suspected tenant was living with her daughter. Investigation confirmed low utility usage and frequent travel to Spain. Interview and visit conducted jointly with SHP. Tenant made the decision to return the keys and provide vacant possession.	None
3. (3605) Suspected abandonment: Referred by SHP following forced entry for Electrical safety and SWLFP involvement in previous non-residency investigation. Investigations highlighted low usage at the property and financial links to Epsom and Ewell. Tenant did not engage, and SHP were subsequently awarded possession following breach of previous Court Order.	None
4. (4119) Suspected abandonment: Referred by Encompass due to rent arrears for a temporary accommodation property. Investigation traced the tenant to an address in North Cornwall which assisted LBS in successfully gaining possession of the property. Address link identified will also be used as part of outstanding arrears recovery.	None
5. (0277) Suspected subletting: Referred by SHP due to suspicion of subletting. Investigation revealed numerous other people linked to the property and, although unable to trace the tenant to an alternative address, several witnesses were prepared to give statements. After a lengthy legal process, the tenant failed to attend his final hearing. In his absence the court ruled in favour of LBS and awarded possession.	None
6. (3299) Suspected abandonment: Referred by SHP when neighbour complained that property was abandoned. Investigations confirmed that the property was being used as temporary accommodation and had been fraudulently obtained. LBS discharged duty due to the false housing application and the property was recovered.	None
7. (3301) Suspected false succession: Referred by SHP following the death of the tenant and a subsequent succession claim from an alleged partner. Investigation revealed that claimant was referred to as tenant's carer on all Council documents and had their own tenancy in Croydon. Tenant had been housed as homeless 8 months prior to the death and had been in B&B as a single person prior to this. Following a trial, the court ruled in favour of LBS.	None
8. (4001) Suspected subletting: Referred by SHP following an anonymous allegation that that tenant was subletting property. Investigations revealed minimal evidence of subletting but clearly	None

proved that the tenant had been living abroad. The tenant met with officers and agreed to relinquish possession of the property.	
9. (4367) Suspected abandonment: Referral received from SHP following a visit to the property which found family members of the tenant in residence. Investigations revealed that the tenant had flown to America with her children and not returned. Notices were issued, and the tenant returned the keys after other members of the family vacated the property.	None
10. (4689) Suspected false succession: Referred by Sutton Housing Society following the death of the tenant and a subsequent succession application from an alleged partner. Investigations showed that the partner was linked to another address and had not been linked to the tenancy address since 2015. The tenant had been in contact with LBS regarding benefits and stated that they lived alone. Succession applicant was contacted by SHS and admitted that they did not reside at the property constantly. Succession was denied, and the property was returned to SHS.	None
Right to Buy: 11. Since 01/04/18 the SWLFP have reviewed 32 applications. Priority is given to applications where the tenants are receiving Housing Benefit. Home visits are arranged to confirm funding source for purchase, at which point some applicants withdraw their application. After an offer is made the applicants are requested to provide evidence of the financing. Following intervention, including visits, 20 referrals have been closed with no further action required and 9 referrals have been closed with the applicants withdrawing their application (2590, 2687, 2967, 3010, 3744, 3946, 4023, 4081 & 4457). A further 3 referrals are still being examined, with applicants' details being cross-checked with other Council systems and visits being arranged where needed.	The SWLFP continues to review right to buy applications referred and carry out visits or interviews with applicants to help validate their application.
Housing Applications: 12. 18 Housing Applications were cancelled following a pro-active drive which identified applicants that had moved or were now deceased. Applicants from the waiting list were identified on the Council Tax system and forwarding addresses and dates of death were subsequently identified.	None
13. (4038) Suspected false housing application: Referred by LBS following concerns over the application address. Investigations revealed that the tenant was linked to an alternative address in Croydon where their child was residing. LBS attempted to contact the applicant regarding this and received no response, the application was then closed.	None
14. (3839) Suspected false housing application: Referred as part of 3299, investigations found that the applicants had voluntarily surrendered their ownership of their previous property in order to be evicted by the new owners, family members of the applicants. LBS reversed their Section 184 decision on the strength of the evidence gathered and the application was cancelled.	None
15. (4760) Suspected false housing application: Referred as part of 4689, investigations showed that the applicant was residing out of the Borough and had not declared the address. Housing application cancelled when the property was returned.	None

16. (4220) Permit Fraud: As part of pro-active exercise that challenged to ensure legitimate use of Blue Badges one driver was found to be misusing a blue badge. They attended a formal interview and admitted the offence, but only after all the evidence was shown to them. The driver was prosecuted, pleaded guilty and received a £240 fine and ordered to pay £240 costs.	None
Offence/irregularity, sanctions and redress	Key outstanding actions
17. False challenge against PCN: Parking Services reported concerns over the validity of challenges against PCNs. Following investigation successful legal action taken against five drivers who had provided false information to avoid penalty charge notices (4004 & 4151, 4299, 4300 & 4644), with costs and fines in addition to the PCNs of £3,639. A further seven instances where challenges against PCN's were suspected to be fraudulent were investigated. Whilst the evidence obtained fell short of prosecution standards, it was sufficient to reject the challenges and to enforce civil recovery of the penalty charge notices (3694, 3963, 3548, 3595, 4042, 4518 & 5054).	None
18. Direct Payments (3463): Referral by Encompass as concerns raised over potential fraudulent payments. In total 11 payments were identified with a value of £75k. Payments had been following a series of false email requests that enclosed fake invoices. The investigation found that 3 key details were required to commit this fraud – client details, carer/appointee details & current knowledge of the client's account balance. The investigation found no evidence linking any current or former LBS or Encompass employees to this fraud. Losses were recovered via insurance and full details of the investigation have been passed to the police.	None
19. (3537) Social Care Fraud: Care support package development on acclaim that the applicant lived alone. Funding agreed for some support (personal care and domestic tasks). Information received that care provider was the applicant's live in partner, confirmed by the investigation. Care package ceased, saving £12,964 pa, and overpayment for failing to correctly disclose partner's detail's calculated as £22,938.71.	None
20. (4723) School Admissions: Application received from a family claiming to have recently moved into the borough from Redbridge. The investigation found that they were not using the Sutton address as their principal home. Evidence collated enabled the application to be rejected.	None
21. Council Tax Reduction: Fourteen cases have led to the identification of wrongly applied reductions resulting in recovery arrangements put in place totalling £20,635.57. This includes two instances where Administrative Penalties were applied (2048, 3755) and recovery action taken in twelve instances (1330, 1597, 3095, 3603, 3627, 3777, 4066, 4194, 4285, 4435, 4623 & 4905).	None
22. Single Person Discount: Joint working with Revenues Team as part of a pro-active fraud and irregularity prevention and detection exercise. The initial review resulted in several residents acknowledging errors with their claims, so discounts were cancelled and with some back payments additional income of £372k	None

was identified. Further investigation was undertaken where evidence of at least two adults in household occupation was identified but the occupant still claimed entitlement to a single person discount. The additional investigation work included home visits and formal interviews where necessary. This resulted in the removal of 40 applications for SPD and the issue of 27 penalty notices which generated a further £33k in income for the Council.

Glossary

B&B	Bed and Breakfast	LBS	London Borough of Sutton
PCN	Penalty Charge Notice	SHP	Sutton Housing Partnership
SHS	Sutton Housing Society	SLLP	South London Legal Partnership
SPD	Single Person Discount	SWLFP	South West London Fraud Partnership