



# Audit and Performance Committee Report

<b>Meeting:</b>	Audit and Performance Committee
<b>Date:</b>	Tuesday 29 <sup>th</sup> November 2022
<b>Classification:</b>	For General Release
<b>Title:</b>	Counter Fraud 2022/23 – Half Year Progress Report
<b>Wards Affected:</b>	All
<b>Financial Summary:</b>	No direct financial implications arising from this report.
<b>Report of:</b>	Gerald Almeroth, Executive Director of Finance and Resources
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## **1. Executive Summary**

- 1.1 The Audit and Performance Committee's Terms of Reference require that the Committee receive reports on internal and external fraud investigated by the Council. This report is intended to brief members of the Committee regarding work undertaken by the fraud service from 1 April 2022 to 30 September 2022.

## **2. Recommendations**

- 2.1 The Committee notes the content of the report.

## **3. Reasons for Decision**

- 3.1 To inform Members of how the City Council is delivering its anti-fraud and corruption strategy.

## **4. Background**

- 4.1 This report provides an account of counter-fraud-related activity undertaken by the Corporate Anti-Fraud Service (CAFS) from 1 April 2022 to 30 September 2022.

- 4.2 CAFS remains a shared service providing Westminster City Council with a complete, professional counter-fraud and investigation service for fraud attempted or committed against the authority.
- 4.3 All CAFS work is conducted within the appropriate legislation and through the powers and responsibilities set out within the financial regulations section of the Council's constitution. CAFS ensures the Council fulfils its statutory obligation under the Local Government Act 1972 to protect public funds and to have an effective system of preventing and detecting fraud and corruption.
- 4.4 For the period 1 April 2022 to 30 September 2022, CAFS identified 76 positive outcomes. The fraud identified has a notational value of £278,000, detailed in the following table. The table also compares the achievements against those for the first six months of 2020/21 and 2021/22.

Activity	Half-year 2020/21		Half-year 2021/22		Half-year 2022/23	
	Fraud proved	Notional Values (£'s)	Fraud proved	Notional Values (£'s)	Fraud proved	Notional Values (£'s)
Housing application fraud	1	2,000	8	24,210	10	29,547
Right to Buy	17	22,700	1	3,500	-	-
Preventative Activity (incl.pro-active)	-	-	5	6,500	7	27,000
<b>Prevention subtotal</b>	18	24,700	14	34,210	17	56,547
Tenancy Fraud (Council and Registered Providers)	1	17,500	13	194,000	12	150,512
Insider fraud	-	-	3	37,000	1	2,500
High/Medium risk fraud (e.g. NNDR, Procurement, Duplicate invoices)	1	3,500	9	39,638	2	35,000
Low-risk fraud (e.g. Freedom passes, Council Tax SPD)	5	4,888	3	1,323	21	5,527
Disabled Parking	20	21,406	50*	89,175	20	26,660
Resident's Parking	57*	28,912	6	7,176	3	1,560
<b>Detection subtotal</b>	84	76,206	84	368,312	59	221,759
Proceeds of Crime (POCA)	2	36,262	-	-	-	-
Business Grant clawbacks	-	-	5	67,800	-	-
<b>Deterrence subtotal</b>	2	36,262	5	67,800	-	-
<b>Total</b>	104	137,168	103	470,322	76	278,306

*\*results from a special data matching exercise*

- 4.5 CAFS investigated 393 cases, including 131 new referrals, and concluded 186 investigations during the period. A conclusion could mean support of a successful prosecution, successful prevention that stops fraud, a detection that identifies fraud and prevents it from continuing, an action that deters fraud, or no further action where there is no case to answer.

- 4.6 CAFS commenced the second half of the financial year with 207 live investigations, of which five cases are being investigated jointly with external enforcement agencies and stakeholders.
- 4.7 The table below shows this activity and details the fraud types that make up the closed cases and the active caseload from 1 April 2022 to 30 September 2022.

Activity	Cases	Fraud types	Closed	Live
Live cases as at 01/04/22	262	Tenancy & Housing cases	53	122
New referrals received	131	Insider fraud	6	4
Closed investigations (Positive outcomes 76)	186	Other Corporate	109	45
		Parking and Blue Badges	18	34
Live cases as at 30/09/22	207	POCA	0	2

- 4.8 Noteworthy fraud case details are reported in Appendix 1.

## 5. Whistleblowing

- 5.1 The Council is committed to achieving the highest service standards, including honesty, openness, and accountability. Our stated position is one of zero tolerance of any malpractice or wrongdoing in the administration and delivery of services and of encouraging individuals to speak up.
- 5.2 The Council's whistleblowing policy continues to be the primary support route for staff reporting concerns. Since April 2022, CAFS has received one new whistleblowing referral, which is currently under investigation.

Allegation	Outcome	Case status
i. Anonymous letter alleging abuse of position	The investigation remains ongoing.	Ongoing

- 5.3 Although the number of whistleblowing claims remains low, the Council's whistleblowing policy and guidance continue to deter wrongdoing. It provides an essential safeguard for those who speak out. It is an important strand of the Council's overall approach to risk management and protection against fraud

## 6. Anti-Fraud and Corruption Strategy

- 6.1 The Council's Anti-Fraud & Corruption Strategy covering 2020/23 is based on five key themes:
- i) Govern
  - ii) Acknowledge
  - iii) Prevent
  - iv) Pursue
  - v) Protect
- 6.2 The Strategy is designed to heighten the Council's fraud resilience and demonstrate its protection and stewardship of public funds. It contains an action

plan to provide management with a tool to ensure progress and transparency concerning counter-fraud activities.

## **i) GOVERN**

### **A robust framework of procedures and policies**

- 7.1 Minimising any losses to fraud and corruption is essential to ensuring that all of the Council's resources are used for their intended purposes and maintain stewardship of public funds.
- 7.2 Staff are often the first to spot possible cases of wrongdoing early and are therefore encouraged and expected to raise any concern they may have without fear of recrimination. Any concerns raised will be treated in the strictest confidence and appropriately investigated.
- 7.3 A well-publicised anti-fraud and corruption strategy and framework of policies help build and develop a robust anti-fraud culture. This culture encourages staff and service users to participate in fraud prevention and report suspicions.
- 7.4 Therefore, CAFS must update anti-fraud policies to support and guide Council staff, ensure compliance with laws and regulations, guide decision-making, and streamline internal processes. The key anti-fraud policies are regularly reviewed, revised and presented to the Audit and Transparency Committee for review and approval.

## **ii) ACKNOWLEDGE**

### **Committing support and resource to tackle fraud**

- 8.1 A vital element of a counter-fraud strategy is the ability of an organisation to call upon competent, professionally trained officers to investigate suspected fraud.
- 8.2 All CAFS investigators are members of the Government Counter Fraud Profession (GCFP), which provides a professional structure with common standards and competencies for those in counter-fraud roles.
- 8.3 CAFS has also recruited two apprentices undertaking the CIPFA Level Four Counter Fraud Apprenticeship. The two-year apprenticeship combines CIPFA learning activities with on-the-job training, including a range of knowledge and skills development-based tasks to ensure competence and progression.

### **Demonstrating that it has a robust anti-fraud response**

- 8.4 Counter-fraud activity is reported to the Audit and Transparency Committee twice per year, detailing performance and action in line with the Anti-Fraud and Corruption Strategy. The annual performance report also describes the activity, achievements, and outcomes against the strategic objectives.

- 8.5 CAFS report on investigation outcomes, including successful prosecutions, prevention activity, actions that deter fraud, or no further action where assurance is obtained that there is no case to answer.

### iii) PREVENT

- 9.1 The "Prevent" element of the strategy focuses on detection and prevention activities. It highlights the importance of enhancing fraud controls and processes, and CAFS continue to provide anti-fraud advice and support across the organisation, including the Council's partners and contractors.
- 9.2 CAFS continues to remind staff and management of their responsibilities to prevent fraud and corruption and raise awareness training highlighting fraud's risks and consequences against the Council and the wider community.
- 9.3 CAFS offer bespoke fraud awareness training that helps employees better connect the training messages to their daily responsibilities. It also helps staff identify suspicious activity and feel empowered to act against potential fraud.

### Corporate investigations

- 9.4 Corporate investigations cover a wide range of different counter-fraud activities, including, but not limited to, financial investigations, complex third-party fraud investigations, contractor or employee fraud, or actions and activities that contribute towards a practical assurance framework.
- 9.5 Since 1 April 2022, corporate investigation work has included:
- **Personal Budgets:** Allegation received from the Financial Assessment Team following suspicions that the service user, or his partner acting on his behalf, had failed to declare assets and income to assess his liability for care home costs. CAFS enquiries showed that the service user had fulfilled his duty to report any additional income. However, searches via the Land Registry identified five properties which he had not previously declared. These properties were commercial properties which formed part of a pension investment scheme. Ownership and current value needed to be clarified and could not be confirmed. The department wrote to the service user and his partner and invited them to make a new declaration, including all details of these properties. CAFS took no further fraud action due to the properties' nature and the service user's ill health, which would make an interview or prosecution inappropriate.
  - **Assurance activity** – CAFS was asked to support an Internal Audit review of historical documents and other records concerning an Outdoor Education Centre. Concerns included the relationship between the Centre, a local Trust and the Council. In particular, the misuse of funds, including Council income, is being diverted to the Trust. A subsequent review, including bank statements, bank rec records and invoices, showed that the

Trust held these funds because they had been paying for activities at the Centre. The income was unrelated to Council funds. Advice at the time from Legal Service supported these actions. The audit is now complete, and various recommendations are being implemented.

- **Mandate Fraud** – A mandate fraudster who attempted to divert TV Licensing payments using a fake email and invoices was thwarted by vigilant finance officers. The scammer had sent three invoices totalling £6,678. However, the bank account provided for payment did not correspond to a genuine bill previously paid by the Council or to the one published on the TV licensing website. CAFS traced the bank account used by the scammer, which revealed it was a personal account in the name of an unknown third party, possibly a mule account commonly established by fraudsters to receive illicit funds. CAFS reported the matter to the National Anti-Fraud Network, Action Fraud (to get the account shut down) and TV Licensing.
- **Malicious emails** - CAFS was asked to review a series of emails sent to Westminster mailboxes that contained inappropriate images. The contents suggested potential offences under the Malicious Communications Act. However, the written content of the messages demonstrated signs of mental illness, and there was no evidence the individual had sent the emails with any intent to cause distress. Nevertheless, CAFS made a referral to mental health services.
- **Assurance Activity** – A member of the public raised concerns regarding parking issues in and around the Mayfair area. They suggested that private clubs and bars were coercing Civil Enforcement Officers to ignore the illegal parking of their customers, and bribery was mooted. CAFS found no evidence to substantiate the allegations. However, to ensure such risks were mitigated, CAFS recommended that the contractors regularly swap and change the patrol routes of their officers, especially around the Mayfair area. Since they imposed these changes, no further issues have been raised.
- **Council Tax:** Following a Right to Buy application for a property in Frith House, CAFS undertook due diligence checks and found no significant discrepancies. However, these checks established that the tenant received Council Tax Single Persons Discount (SPD) even though several adults lived at the address. As a result, the SPD was removed immediately, Council Tax calculated a revised liability, and they invoiced the tenant for the increased bill.

### **Housing/Tenancy Fraud**

- 9.6 Given the desperate shortage of affordable homes, demand for social housing continues to grow. It is an asset to the public and often a lifeline to the people it's meant for. Finding and stopping social housing fraud can rapidly reduce homelessness and poverty among families living in rented properties.

- 9.7 CAFS provides an investigative service to all aspects of housing, including requests for the succession or assignment of tenancies, allegations of subletting or other forms of tenancy breaches, and right-to-buy verification.
- 9.8 By effectively helping to prevent and detect housing tenancy fraud and verifying applicants' eligibility for housing services, CAFS work in this area contributes to the Council's strategy for fairer housing.
- 9.9 From 1 April 2022 to 30 September 2022, CAFS successfully recovered twelve properties which were being misused. These have now been allocated or made available to those in genuine need of housing support within the community.
- 9.10 Where investigative actions result in the return of keys and vacant possession, the Council can obtain control without requiring lengthy and costly legal action, ensuring properties are promptly reallocated.
- 9.11 Full details of the successful investigation activity regarding social housing are detailed below:

Landlord	Location	Postcode	Size bedrooms	Reason for recovery	Outcome
Council	Missenden House	NW8	1	non-residence	Court possession
Council	Lambourne House	NW8	1	non-residence	Court possession
Council	Severn Avenue	W10	1	non-residence	Court possession
Council	Oversley House	W2	1	subletting	Surrendered keys
N/Hill Genesis	Hereford Road	W2	1	non-residence	Surrendered keys
Council	York Street Chambers	W1H	1	non-residence	Surrendered keys
Council	Brewers Court	W2	1	false succession	Property recovered
Council	Probyn House	SW1P	2	false succession	Property recovered
Council	Lapford Close	W9	1	false succession	Property recovered
Temporary Accommodation	Norfolk Court	RM6	2	non-residence	Surrendered keys
Council	Keyham House	W2	1	subletting	Surrendered keys
Council	Hide Tower	SW1P	Studio	false statement	Court possession

### Parking investigations

- 9.12 CAFS continue to investigate the misuse of disabled parking badges and fraudulently claimed residents parking permits. Although the direct monetary value of parking fraud is relatively low, the reputational risk concerning this area is significant for Westminster City Council.
- 9.13 For 1 April 2022 to 30 September 2022, CAFS successfully prosecuted six offenders for misusing disabled parking badges. In addition, CAFS has also cautioned offenders in two separate incidents, seized twelve badges and issued penalty charge notices to lesser offenders.
- 9.14 CAFS also investigate the misuse of residents' parking permits and any suspicious applications. For the period, CAFS intervened and cancelled three permits where CAFS gathered evidence that individuals had fraudulently obtained the permit even though they did not live in Westminster.

9.15 Cases of note are reported in Appendix 1.

### **Making better use of information and technology to detect fraud**

9.16 A vital component of the anti-fraud and corruption strategy is making better use of information and technology. To this effect, the Council participates in the biennial National Fraud Initiative (NFI), an electronic data-matching exercise coordinated by the Cabinet Office. Data for the next exercise has been collated and uploaded, and we await the outputs in early 2023.

### **London Fraud Hub**

9.17 In addition to the National NFI exercise, Westminster City Council has joined the London NFI Fraud Hub. This cost-effective solution combines data from across London to prevent and detect fraud. To date, 18 London boroughs, including Westminster City Council, have joined.

9.18 The Hub places no limits or restrictions on the volumes or frequency to which councils can upload datasets to the Hub. Once data is uploaded, matches will continue to be generated, providing a real-time fraud identification tool.

9.19 CAFS will require an additional resource (one investigator) to support and manage the Hub, and as a shared service, the cost of this resource will be jointly funded with RBKC and H&F.

9.20 The other post will use the Hub to develop counter-fraud data analytics. It will identify datasets to tackle new and emerging fraud risks, support directorates to get their data into the Hub and work with frontline services to utilise the fraud prevention tool AppChecker (included free with the membership). The role would be fundamental to ensuring the Council gets the most out of its participation.

### **iv) PURSUE**

10.1 Stopping fraud and corruption from happening in the first place must be our primary aim. However, those who keep on trying may still succeed. It is, therefore, essential that a robust enforcement response is available to pursue fraudsters and deter others.

### **Sanctions**

10.2 The Council will always seek the strongest possible sanction against any individual or organisation that defrauds or attempt to defraud the Authority. Since April 2021, CAFS has successfully prosecuted six offenders and issued two formal cautions where appropriate.



**v) PROTECT**

- 11.1 This aspect of the Strategy covers counter-fraud activity to protect public funds, saving the Council from fraud and protecting itself from future scams.
- 11.2 CAFS remains an active member of the National Anti-Fraud Network (NAFN), disseminating national fraud alerts that CAFS circulates to the appropriate departments. CAFS also offers support and advice to ensure proper action is taken in response to the warnings and to protect the Council and the community from fraud.
- 3.1 CAFS also works with various registered social landlords and statutory agencies to help detect fraud and ensure that those living in affordable housing across the borough are correctly entitled. Tenancy fraud in affordable housing reduces the number of units available for those in genuine need of assistance. By supporting local housing associations, CAFS try to protect all affordable housing in the borough.
- 11.3 A case was referred to CAFS by Notting Hill Genesis, asking for CAFS assistance to investigate a possible tenancy breach at a property in Hereford Road, W2. The subsequent CAFS investigation led to the relinquishment of the tenancy. Under a local agreement, this property can now be allocated to someone from the Council's waiting list.
- 11.4 Cases of note are reported in Appendix 1.

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**Local Government Access to Information Act – background papers used:**  
Case Management Information

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Source	Fraud Review	Details
<p>Risk Review</p>	<p>The service area (WCC contracts) received a report stating that contractors had raised concerns regarding Public Conveniences. The contractor had identified sites where attendants may have altered the entry mechanism to stop the coins (entry fee) from going into the collection box. This prevented members of the public from automatically opening the gates. The contractors were concerned attendants were intentionally tampering with the mechanism so they could collect entry fees directly from the public, bypassing the collection box, and pocketing the monies.</p> <p>CAFS conducted an investigation providing a report and risk review containing remedial recommendations for the service.</p>	<p>Investigation and findings</p> <ul style="list-style-type: none"> <li>• CAFS contacted the contractors and the cleaning service who employ the attendants to review processes.</li> <li>• The main contractor collects the cash at the end of the week and conducts other routine inspections to check for maintenance issues. They reported finding too many instances where the entry mechanism had parts removed and became suspicious that attendants were doing this intentionally to steal the money customers should deposit into the machines.</li> <li>• There was no substantive evidence that this was occurring, and the contractors could not confirm if takings were down because of reduced visitor numbers in Central London following the pandemic.</li> <li>• CAFS investigators visited seven sites to find all mechanisms working bar one. At one of the sites, money was taken by a staff member to allow access, but it was not established where it went other than not appearing to be placed in the machine.</li> <li>• This was the only incident identified, and therefore findings were inconclusive. The investigation failed to reveal substantive evidence to support the initial theft concerns.</li> </ul> <p>Recommendations</p> <ul style="list-style-type: none"> <li>• The service should complete the transition to NIAX (cashless) devices as soon as possible.</li> <li>• Until cashless devices are installed, the service should instruct the Cleaning Service to create a log for whenever the mechanism is changed or affected. Each incident should include a time and date, creating an auditable record for checking. This action will improve record keeping and should deter any inappropriate removal.</li> </ul>

<p>Risk Review</p>	<p>Referral from the Local Support Payments (LSP) Team following a complaint from a service user who had received payments via an eGift card, but when she tried to use the card, it had already been used.</p> <p>LSP is provided to help those in need following an emergency or a crisis. Payments are not given as cash but as goods or store vouchers for specific goods in response to a particular need.</p> <p>The qualifying criteria include individuals claiming a qualifying benefit such as universal credit, ESA, JSA, Incapacity benefit, DLA, etc.</p>	<p>The eGift to the value of £1,210 has been spent, and a balance of only £51 remains. The system showed that someone other than the correct recipient had used it to purchase electrical items from two stores located in Liverpool.</p> <p>Although the team passed the matter to the Police, they said they would not be taking further action regarding the missing funds.</p> <p>CAFS tried to locate the possible offender, but an alias appears to have been used, which was untraceable.</p> <p>Attempts were made to obtain communication data from the contact details provided by Argos. However, following receipt of the information, it was determined that there was insufficient evidence to identify a suspect CAFS could pursue. Accordingly, all reasonable lines of enquiry were exhausted, and the investigation was closed.</p> <p>CAFS undertook a risk review of the fraud controls, including changes made because of this fraud. This information was used to update the risk register, including lowering residual risk.</p>
<p>Risk Review</p>	<p>CAFS received information from the Head of Internal Audit that a library in Westminster had reported a cash theft (£200) from the safe at Westminster Library.</p> <p>An initial meeting was held with the Library Service Delivery Manager and Finance Managers, where it was established that there was no realistic prospect of identifying a suspect or obtaining evidence to prove theft. It was therefore agreed to conduct a review of the controls in place to assist in preventing further incidents and to assure the authority that mitigation was in place.</p>	<p>Following an onsite inspection and walkthrough of the processes</p> <p>CAFS found that weaknesses in cash control may have contributed to the theft of money from the site. However, since the incident, the Service Delivery Manager has been proactive in identifying and implementing additional controls and has been responsive to further suggestions.</p> <p>Following the review, CAFS final report made two recommendations around regular reconciliations and a process to maintain a rolling record of cash balances which will inform and enhance the reconciliation process.</p> <p>The library had implemented some additional controls before the risk review visit, and the two further recommendations detailed in the final report have been agreed upon and implemented by the Service Delivery Manager.</p>

## Case Description

**1. HOUSING OPTIONS SUPPORT** (Intermediate Rent Scheme): CAFS received a referral from Westminster Community Homes (WCH) regarding an application for housing through the Intermediate Rent scheme, which provides accommodation at a discount against the average market rent in Westminster. It supports working households who would otherwise not be able to afford to live within Westminster, where they have local ties through residency or employment.

The applicant had applied as both resident and employee of Westminster City Council. However, WCH were concerned that the applicant's mobile phone evidence, a letter from his communication provider, was linked to an address in the London Borough of Hammersmith & Fulham. When challenged, the applicant said it was an error by the phone company.

CAFS began enquiries to verify the application further and did not find any evidence to suggest residency outside of Westminster. But financial searches did uncover a County Court Judgement (CCJ) even though the applicant declared they had none on the form. A CCJ disqualifies applicants from the scheme, and this discovery automatically quashes the application.

The discovery of a CCJ raised an additional concern that withholding its existence may have been deliberate. Therefore, because the applicant was also an employee, CAFS shared the findings with the Council's Employee Relations. However, the subsequent management investigation found no evidence of intentional wrongdoing; the employee had assumed the CCJ was irrelevant, given the associated debt had been repaid. Therefore, it was deemed a misunderstanding, and they had not withheld the information to deceive.

The Council took no further action, WCH refused the application, and the matter was closed.

**2. BLUE BADGES:** A case was initially referred to CAFS as part of the tenancy succession process. Housing had received an application when the tenant of an address in Ebury Bridge Road, and his partner, passed away.

Routine checks were completed, and there were no issues with the application. However, CAFS identified disabled parking permits active from the address when conducting enquiries. As a result, CAFS cancelled the badges to prevent potential misuse and sent a letter to the next of kin asking for the return of the badges. They were duly sent back and securely destroyed.

<p>3.</p>	<p><b>FALSE IDENTITIES:</b> Electoral Services received two online applications via the Government Gateway for postal voting registration. Electoral Services had concerns over the legitimacy of the identity proofs supplied as part of the registration process and referred the applications to CAFS for investigation.</p> <p>An initial review of the application revealed they were both for the same address, submitted four minutes apart, and both had the same scanned signature.</p> <p>The supplied identity proofs for the two applications used fake UK photo driving licences with both nationalities recorded as Austrian. The images of both 'driving licences' have the exact reverse view with identical serial numbers and dates and the front of each 'licence'. In addition, the photograph of the licence holder is known to CAFS. It had been seen previously being used on various known counterfeit blue badges that have been in circulation and are known to enforcement agencies.</p> <p>A review of all Council systems confirmed no record of any applications for resident parking permits, welfare benefits, housing or other service using the fake identities.</p> <p>CAFS believe the attempt was to enable identities to be created linked to the Westminster address that could then facilitate external fraud and potential money laundering. A finance search of both parties identified a Santander current account that the fraudsters had created at the address. These details were referred to the Santander fraud team for further action as appropriate.</p> <p>There was no evidence of fraud against Westminster City Council, so there was no scope to investigate further. However, the incident was referred to the National Anti-Fraud Network to enable an intelligence alert to be raised to protect other local authorities regarding the false identity documents being presented.</p>
<p>4.</p>	<p><b>SUCCESSION FRAUD</b> - An individual applied for a discretionary succession to a two-bedroom property in Probyn House, Page Street, SW1, following the tenant's death. The applicant claimed to be the tenant's partner. To be considered for a discretionary succession, the applicant must prove that the address was his primary and principal home for one year before the tenant's death.</p> <p>CAFS investigation quickly discovered that the applicant had successfully submitted a homeless application several years prior. As a result, he was accepted for housing and placed, by the Council, in temporary accommodation at an address in Hounslow, west London. However, the dates of his housing application and residency in Hounslow contradicted the information supporting his discretionary succession. It also proved that Probyn House was not his main and principal home.</p> <p>Westminster Housing Services refused the succession and served a notice to quit on the property. The failed successor declined to vacate the address, culminating in a court hearing in May 2022. The Council were awarded outright possession, and the tenant eventually returned the keys without the need to engage bailiffs.</p>

<p>5.</p>	<p><b>OLDER PERSONS FREEDOM PASS:</b> A fraud hotline tip-off suggested that two residents had fraudulently obtained older person Freedom Passes through Westminster Council even though they now lived in Hampshire. The referral also claimed their daughter fraudulently used the pass when she was in London. The older persons Freedom Pass allows persons over 60 to travel for free on public transport in the capital if their sole or principal residence is in London.</p> <p>The subsequent investigation confirmed that both named individuals were no longer Westminster residents and were now living in Hampshire as per the tip-off. In addition, the investigator obtained details of usage for both passes travel was extremely limited, with little use on only one.</p> <p>The investigator sent a letter to both individuals advising that the Council held evidence to suggest they were not living in Westminster and reminded them that misuse and wrongfully obtaining the passes were criminal offences.</p> <p>Both passes were returned immediately with no explanation. Therefore, it was not in the public interest to pursue any further action, recovery of the passes to prevent potential misuse was sufficient, and the case was closed.</p>
<p>6.</p>	<p><b>BLUE BADGE:</b> A parking investigator observed a red Vauxhall Corsa parked in a designated disabled bay on Vere St, W1. In the car's windscreen was displayed a blue disabled badge issued by the London Borough of Hackney. Enquiries revealed that the badge had been issued to a male who had since reported it lost. The vehicle also displayed a London Borough of Hackney resident's parking permit.</p> <p>A female entered the driver's seat, and a male entered the passenger seat. The investigator intervened and asked about the badge. The driver stated that it was her sister's.</p> <p>The driver's explanation of the badge's owner differed from the information obtained. Therefore the investigator cautioned her and asked to inspect the badge in more detail, especially the reverse, where the badge holder's photograph is positioned. She declined to say that she did not need to and immediately drove off before the investigator could see the inspect the badge or ask further questions.</p> <p>Subsequent enquiries identified the vehicle's keeper, which enabled the officer to collate a criminal prosecution file for offences under the Road Traffic Regulations Act and the Chronically Sick and Disabled Persons Act.</p> <p>In April 2022, at the City of London Magistrates Court, the driver pleaded guilty to the misuse of a disabled parking badge and failure to provide a disabled badge for inspection. She was sentenced to a fine of £338 and ordered to pay costs and a victim surcharge of £219.</p>

<p>7.</p>	<p><b>ABANDONMENT (Octavia):</b> Octavia requested the assistance of CAFS to investigate a possible abandonment at one of their properties. The caretaker at York Street Chambers had raised a concern that one of the tenants was no longer resident and had seen another male at the address who claimed he was the tenant's brother.</p> <p>The rent was paid up to date, and searches by the investigator covering financial records, Council databases and third-party records and welfare benefits, failed to reveal any information that might link the tenant to an alternative address or suggest he had abandoned the property.</p> <p>The investigator then tried to engage the tenant at the address. However, visits to the property were unsuccessful, with no answer when the investigator called either during the day or evening.</p> <p>The tenant was therefore asked to attend an informal interview to discuss the concerns raised, but he subsequently failed to turn up for the meeting.</p> <p>Officers continued to attempt to contact him, but only when Octavia served a notice to quit the property did he eventually reply, asking to relinquish the property. The investigator discussed his offer with Octavia, who agreed that repossession without legal proceedings was the most viable course of action. The tenant returned the keys after that, and Octavia obtained vacant possession.</p>
<p>8.</p>	<p><b>ADULT SOCIAL CARE (ASC):</b> Allegation received from ASC that the service user may have failed to declare assets in the form of properties for financial assessments for residential care.</p> <p>Enquiries with the Land Registry identified five additional properties that had not previously been declared as part of the financial assessment but were held in trust for the service user as part of pension planning arrangements.</p> <p>A further meeting was held with ASC to understand the end-to-end process for applying for financial assistance, including the thresholds for capital and other issues, which provided an enhanced understanding for CAFS investigators.</p> <p>Further enquiries with HMRC showed that the service user had no other additional income beyond what had been declared.</p> <p>Due to the service user being an older person in residential care and his partner having been involved in the application process, it was not deemed in the public interest to prosecute. Instead, the matter was passed back to ASC to carry out a new financial assessment with all relevant details.</p> <p>The service user became liable for total care contributions, with an additional £34,000 billed. ASC has advised that this will be recovered via charges on the properties if it is not correctly paid.</p>

**9. SUCCESSION:** An investigation commenced following a referral from the local Housing Officer regarding a possible false succession at a flat in Brewers Court. The tenant's son had applied to succeed the tenancy of his father, who had passed away, although the Housing Officer did not believe the son ever lived at the address.

Succession is a legal term used when a person takes over a tenancy when the tenant dies and the right of certain people to succeed in the tenancy. For example, a qualifying family member can succeed if residing with the late tenant for 12 months before death.

Initial checks showed that the deceased tenant received welfare benefits and a single-person discount, and he had never declared anyone living at the property. Additionally, Electoral Service had no record of the son at the address until he registered to vote in December 2020, five months after his father's death.

When investigators conducted a finance check, they found a few financial links for the son to the Brewers Court address. However, his primary finance records, including his current account, credit card and mobile phone contract, were all linked to his mother's address in the London Borough of Hammersmith and Fulham (LBHF).

The investigator found other anomalies. For example, he claimed that he left his mother's home and moved to Brewers Court in 2012; when he registered his father's passing, the death certificate in July 2020 gave his LBHF address. The investigator also revealed that he recorded his taxi and driving licenses there.

Due to the inconsistencies, the son was interviewed by investigators, but he could not provide any plausible explanations for the discrepancies. Neither could he offer further evidence to prove his residency at Brewers Court up to one year before his father's death.

During the interview, he said the financial records were incorrect but could not explain why the credit reference agencies would have gotten the details wrong. He also could not explain why his LBHF address was on the death certificate. He initially tried to say that his mother had dealt with this process. However, when investigators pointed out to him that the registrar would have verified he was supplying the information, he stated that his cousin helped with the telephone call to register the details. He was also asked why he had not updated his driving licence, given his occupation. He said he could not afford the fee.

The evidence amassed was presented to the housing officer. Housing refused the succession, and the property was repossessed. It has since been allocated to someone in genuine need of assistance.



<p><b>10.</b></p>	<p><b>TENANCY FRAUD:</b> CAFS commenced an investigation in August 2021 following a referral from the Housing Officer covering the W10 area where the tenant of a flat in Severn Avenue, W10, failed to arrange access to her home for the annual gas safety check despite sending three appointment letters. The housing officer followed this up with several unsuccessful visits and telephone calls. Conversations with the neighbours suggested non-residency and heightened suspicion. The matter was referred to CAFS.</p> <p>Financial enquiries indicated that the tenant may have moved to Uxbridge, including the link to a specific address. However, when the investigating officer approached the local Council, Hillingdon, they confirmed she had been registered for council tax in their borough.</p> <p>Concerned the tenant may have been sub-letting her Westminster property, the investigator obtained her bank statements. However, they did not show any signs of a sub-letting income, but they did clearly show the transactions were now taking place in the Uxbridge area.</p> <p>With no evidence of sub-letting (only abandonment), the investigator sent two letters to the tenant asking her to attend an interview. The investigator sent one to the Westminster address and the other to Uxbridge. However, the tenant refused the interview but did say she would return the keys, although this failed to happen, and CAFS presented the case evidence to Legal Services.</p> <p>In March 2022, in Court, the Judge granted a possession order based on the evidence amassed by CAFS. Because the hearing was unchallenged, Housing could end the tenancy immediately without needing an eviction order or bailiffs.</p>
<p><b>11.</b></p>	<p><b>COUNCIL TAX SUPPORT:</b> Following a fraud hotline tip-off, CAFS investigated a possible abandonment at a Council property in Elgin Avenue, W9. The allegation suggested that the tenants had been living overseas for approximately the last nine months.</p> <p>Border checks showed they had travelled to Kurdistan in October 2021 but returned to the UK in June 2022. Therefore, investigators visited the property to confirm they had returned and to ensure the property had not been sublet while overseas. Officers were satisfied this was not the case and could verify the tenant's residency.</p> <p>However, they had continued to receive Housing benefits and Council Tax Support whilst overseas and had yet to notify the benefits department of their absence. Because they were out of the UK for over four weeks, the benefits service cancelled their claims between October 2020 and June 2021, creating an overpayment of £3,876.10 for housing benefits and a CT support overpayment of £424.84. No further action was required, and the debt is being recovered from ongoing benefit entitlement.</p>

**12. TENANCY FRAUD (Notting Hill Genesis):** A case was referred to CAFS by Notting Hill Genesis asking for assistance to investigate a possible tenancy breach at a property in Hereford Road, W2. They had received information to suggest the tenant was not living at the property and that it was being used as a business address by a dog grooming company.

Initial enquiries showed the tenant was a director of a dog grooming and walking business registered to an address in Somerset. The business website showed images of the tenant walking dogs in rural settings.

The investigator also discovered that an unknown female was registered at Hereford Road. She held a parking permit at the address for a van which was observed parking outside the property. It was a company vehicle with a dog grooming livery.

It also transpired that the tenant and his partner owned another property in Westminster (purchased after the NHG tenancy commenced in Hereford Road). In addition, a further permit had been claimed at this address by an unknown male, who was also driving a company vehicle with the same dog grooming livery.

Finally, financial enquiries revealed that the tenant's records were listed at the Somerset address. Given the information gathered, he was invited to attend a formal interview to explain the tenancy and the parking permits. However, in response, the tenant relinquished the residence and, when further challenged, agreed to return both parking permits.

NHG was satisfied with the recovery of vacant possession and chose not to pursue criminal charges.