



City of Westminster

# Audit and Performance Committee Report

<b>Meeting:</b>	Audit and Performance Committee
<b>Date:</b>	24 November 2016
<b>Classification:</b>	For General Release
<b>Title:</b>	Counter Fraud 2016/17 – Progress Report
<b>Wards Affected:</b>	All
<b>Financial Summary:</b>	The Council's budget
<b>Report of:</b>	Steven Mair, City Treasurer (Section 151 Officer)
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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 in respect of work undertaken by the fraud service during the period 1 April 2016 to 30 September 2016.

**FOR INFORMATION**

## **1. BACKGROUND**

- 1.1 This report provides an account of fraud related activity undertaken by the Tri-borough Corporate Anti-Fraud Service (CAFS) from 1 April 2016 to 30 September 2016.
- 1.2 Local authorities have a responsibility to embed effective standards for countering fraud and corruption in their organisation to support good governance and demonstrate effective financial stewardship.
- 1.3 CAFS continues to provide Westminster City Council with a full, professional counter fraud and investigation service for fraud attempted or committed against the Council.
- 1.4 CAFS remains a shared service covering the three Partnership Councils across Tri-borough. The partnership continues to reap a number of benefits including the sharing of skills and expertise, a "compare and contrast" review to identify

the best practice and the streamlining of anti-fraud related policies and procedures.

1.5 Since April 2016 CAFS identified 70 positive outcomes, including twelve prosecutions and ten recovered tenancies. For the period 1 April 2016 to 30 September 2016, fraud identified by CAFS has a notional value of over £2.2million and is detailed in the following table.

<b>Activity</b>	<b>Fraud proved 2015/16</b>	<b>Fraud identified 2015/16 (£'s)</b>	<b>Fraud proved 2016/17 (6 months)</b>	<b>Fraud identified 2016/17 (£'s)</b>
Housing Fraud (inc. Applications, assignments & successions)	-	-	3	54,000
Right to Buy	9	935,100	13	1,350,700
Advisory Report	-	-	1	-
<b>Prevention subtotal</b>	<b>9</b>	<b>935,100</b>	<b>17</b>	<b>1,404,700</b>
Tenancy Fraud (CWH and Registered Providers)	6	340,000	10	580,000
Equity Loan Fraud	2	706,460	-	-
Internal Staff and Other Services	10	29,510	7	73,159
Disabled Parking	15	51,667	15	70,203
Resident's Parking	49	277,588	16	82,210
<b>Detection subtotal</b>	<b>82</b>	<b>1,405,225</b>	<b>48</b>	<b>805,572</b>
Proceeds of Crime (POCA)	1	153,824	4	49,477
Press releases and publicity	-	-	1	-
<b>Deterrence subtotal</b>	<b>1</b>	<b>153,824</b>	<b>5</b>	<b>49,477</b>
<b>Total</b>	<b>92</b>	<b>2,494,149</b>	<b>70</b>	<b>2,259,749</b>

1.6 Details of sample fraud cases are reported in Appendix 2.

NB: fraud in the different service areas has been valued as follows:

- *Tenancy Fraud: £54,000 per property based upon the average cost of temporary accommodation (£18,000 p.a.) multiplied by the average length of stay (3 years). An additional £8,000 saving is also claimed when keys are returned based upon average cost of legal action and bailiff intervention to recover property via the court (these measures of savings were provided by the Audit Commission prior to their abolition)*
- *Residents Parking – calculation based upon lost of income as a result of fraudulently obtained or used permits.*
- *Disabled Parking: Seizures, Cautions and Prosecution are valued as £825, £2,822 and £5,644 respectively as per the notional values of estimated lost parking income in relation to the levels of misuse.*

## 2. WHISTLEBLOWING

- 2.1 The Council's whistleblowing policy continues to be the main support route for staff wishing to report a concern that they believe they cannot discuss with their line manager.
- 2.2 Since April 2016 CAFS received one whistleblowing referral (as defined in the policy) which remains an on-going investigation.

## 3. ANTI-FRAUD STRATEGY

- 3.1 The Council's Anti-Fraud and Corruption Strategy is aligned align to the national strategy, ***Fighting Fraud and Corruption Locally.***
- 3.2 The revised strategy places greater emphasis upon;
- i) developing and improving **fraud prevention** techniques across the Council,
  - ii) having a fully trained and dedicated anti-fraud resources to investigate allegations and **detect fraud**, and
  - iii) deterrence activity, including sanctions and publicity, which **deter potential fraud** from being committed.
- 3.3 The remainder of this report has been divided into these three key areas to highlight activity which supports and underpins the Strategy.

## 4. FRAUD PREVENTION ACTIVITIES

### **Fraud Resilience Action Plan 16/17**

- 4.1 Fraud is deemed a critical risk and is present on the organisation's Strategic Risk Register which is regularly reviewed by senior management as well as the Audit and Performance Committee.
- 4.2 To underpin the Strategic Risk Register, CAFS oversee a fraud risk register that monitors fraud risks across the Council and directs CAFS proactive work programme, which remains on target for completion.
- 4.3 The programme, known as the Fraud Resilience Work Programme is reported in Appendix 1 for information.
- 4.4 Resources within CAFS remain stretched, but a success recruitment campaign has rectified this, and it will provide additional resources to reinvigorate proactive anti-fraud activities and to enhance coverage.

## E-Learning

- 4.5 CAFS have designed and created an e-learning programme which will include many different learning packages. Once fully complete the range of courses will include "identity document checking" and "general fraud awareness", as well more focused courses aimed at specific departments or pay grades. For example, "anti-bribery and corruption", "internal controls" and "tenancy fraud".



- 4.6 The first completed package, "identity document checking" teaches officers the step by step process in how to check identification papers, and how to spot forged or counterfeit items.
- 4.7 This first module is currently being tested and rolled out to over 50 frontline officers, including the Housing Options Service.
- 4.8 The courses enable CAFS to reach the whole organisation, individual departments or specific roles, i.e. managers. They have been written and designed by CAFS and therefore support the Council's anti-fraud and corruption policies and enhance our anti-fraud culture. They are built to be engaging and interactive, and are presented using various templates such as 'real-life' scenarios, case studies and 'knowledge bites'.

## Right to Buy (RTBs)

- 4.9 The number of RTB applications continues to rise over with tenants benefiting from the scheme's discounts up to a maximum of £103,900.
- 4.10 With such significant discounts available to prospective purchasers there is a greater risk of fraud, and to this effect, CAFS apply an enhanced fraud prevention process to all new RTB applications, including anti-money laundering questionnaires as well as financial and residential verification.
- 4.11 For CAFS to prioritise cases more efficiently a new Service Level Agreement (SLA) between CAFS and Lessee Services has been agreed, along with a revised anti-money laundering questionnaire which draws upon the best elements from similar forms used by the three Partnership Councils of Tri-borough.
- 4.12 To date, CAFS have successfully prevented 13 Right to Buys from completion, where suspicion was raised as to the tenant's eligibility or financial status. In many instances, these have been as a result of the tenant voluntarily withdrawing their application once checking and verification by CAFS commenced.

- 4.13 The prevention work undertaken by CAFS in respect of RTBs continues to protect valuable Council stock.

## **5. FRAUD DETECTION ACTIVITIES**

### **Corporate investigations**

- 5.1 Corporate investigations are defined as fraud cases which relate to employee fraud or other third party fraud which does not fall within a particular CAFS service areas such as Housing or Disabled Parking Fraud.

- 5.2 Since 1 April 2016 work in this area has included;

- The dismissal of a member of staff who had abused their position to influence the procurement of building work at a school, as well as failing to declare a Declaration of Interest.
- The resignation of an employee following an investigation into the misuse of a school's headed stationery for personal gain, namely a false reference.
- Single Person Discounts removed during investigations into housing and residents parking
- Misuse of concessionary travel including Freedom Passes

- 5.3 Details of a sample fraud cases are reported in Appendix 2.

### **Tenancy Fraud**

- 5.4 CAFS continues to provide an investigative support across all aspects of Housing, from the initial applications for assistance to the investigation of tenancy breaches or unlawful subletting.

- 5.3 For CAFS to prioritise cases more efficiently, and to increase the quality of referrals, a new Service Level Agreement (SLA) between CAFS and CityWest Homes has been agreed, along with a new monitoring process for Housing Option referrals.

- 5.4 As well as working with CityWest Homes CAFS continue to provide investigative support to PRPs operating within the borough and where CAFS recover properties on behalf of PRPs, following investigations of unlawful subletting; abandonment or false applications for tenancy succession, the nomination rights for these properties are passed to the Council.

- 5.5 Although CAFS work across Housing involves prevention (as detailed at 4.9) as well as detection, the full extent of CAFS activities are described in the table below.

<b>Activity</b>	<b>Fraud proved 2015/16</b>	<b>Fraud proved 2016/17 (6 months)</b>	<b>Notional value 2016/17 (£'s)</b>
CWH Tenancy Fraud	5 (2 keys returned)	7 (2 keys returned)	394,000
PRP Tenancy Fraud	1 (keys returned)	3 (3 keys returned)	186,000
RTB - CWH	9	13	1,350,700
False succession applications	-	3	54,000
Unlawful Profit Order	1	-	-
<b>Total</b>	<b>16</b>	<b>26</b>	<b>1,984,700</b>

5.6 Details of sample cases are reported in Appendix 2.

### **Disabled parking investigations**

5.7 The introduction of a dedicated resource, body cameras and a regular Blue Badge inspection regime has proven successful with 15 offenders apprehended who have had appropriate sanctions applied for misuse, including 12 successful prosecutions.

5.8 Details of sample fraud cases are reported in Appendix 2.

### **Resident parking investigations**

5.9 CAFS continue to investigate the misuse of resident parking permits and to date have successfully apprehended ten offenders. Positive outcomes include fraudulently obtained permits, height restricted vans and permits issued to commercial addresses.

5.10 Details of sample fraud cases are reported in Appendix 2.

## **6. FRAUD DETERRENCE**

6.1 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, important that a robust enforcement response is available to pursue fraudsters and deter others.

### **Sanctions**

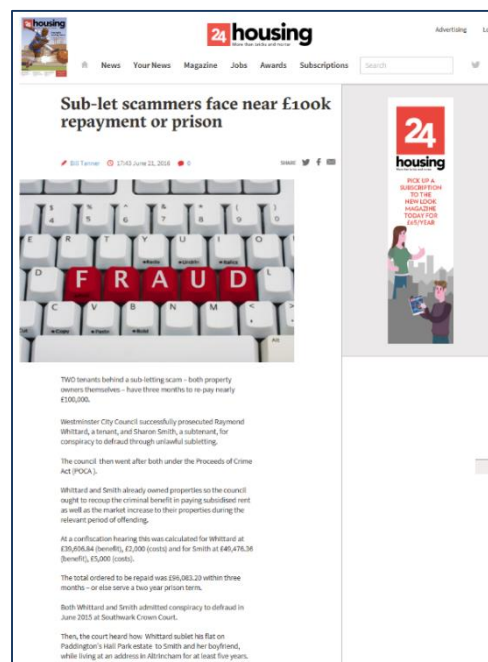
6.2 For the period 1 April 2016 to 1 September 2016, CAFS have successfully prosecuted twelve offenders, and currently, have eleven cases lodged with the Council's solicitor for prosecution activity.

## Proceeds of crime act

- 6.4 The use of dedicated powers under the Proceeds of Crime Act (POCA) continues to provide rewards with £96,083 awarded in the first half of the financial year to 31 September 2016, and £49,477 repaid.
- 6.5 In June 2015, in a landmark case, Westminster City Council successfully prosecuted a tenant and a subtenant for conspiracy to defraud through unlawful subletting
- 6.6 In June 2016, following action under POCA, the pair were ordered to repay £96,083.20 (tenant £41,607 and subtenant £54,476) within three months or face a two-year prison term.
- 6.7 The POCA investigation was unable to identify any monies or assets belonging to the tenant and the Judge reluctantly accepted a small contribution. The POCA investigation did, however, identify assets owned by the sub-tenant who repaid £48,477 forthwith.

## Press releases

- 6.8 To deter fraud attempts it is important that the Council publicise its successes in tackling it. Positive publicity about the successful detection, prosecution or prevention of a fraud may help to deter others.
- 6.9 CAFS continue to record details of press releases as a positive outcome each time a story is published in a national or local media, news websites or trade magazines.



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

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## WCC - FRAUD RESILIENCE ACTION PLAN 2016/17

## APPENDIX 1

### Generic Fraud Risks

Fraud Risk Code	Risk Title	Residual Fraud Risk	Action plan 2016/17	Status	Aim
G4	Decision Making (Bribery and Corruption)	8	e-Learning fraud awareness (bespoke) design & rollout	On-going	Q.3
G5	Procurement	15	e-Learning fraud awareness (bespoke) design & rollout	To do	Q.4
G6	ICT and Data Security	15	Fraud newsletter to inform staff of risks	To do	Q.3&4

### Service Specific Risks

Risk Code	Risk Title	Current Risk Status	Fraud risk action plan 2016/17	Status	Aim
F7	P/cards	3	WCC – pro-active operation – substantive testing using Benford’s Law analytics	On-going	Q.3
F8	Pension Fraud	6	Keep under review NFI due March 2017	On-going	Q.4
F10	Right to Buy	12	Review of process, anti-money laundering forms and service level agreement with Lessee Services. New processed shared and formed part of Lessee Service process.	Complete	Q.2
			e-Learning fraud awareness (bespoke) design & rollout	To do	Q.3



F11	Housing Fraud	<b>12</b>	Revised engagement to improve working relationships – new process of monitoring introduced to ensure CAFS manage referral expediently.	<b>Complete</b>	<b>Q.2</b>
			e-Learning fraud awareness (bespoke) design & rollout – currently at test stage	<b>On-going</b>	<b>Q.3</b>
F12	Tenancy Fraud	<b>12</b>	Revised engagement to improve working relationships – new process of monitoring introduced to ensure CAFS manage referral expediently	<b>Complete</b>	<b>Q.2</b>
F15	Direct Payments/Personal Budgets	<b>6</b>	Pro-active operation using Direct Payments/Personal Budgets to compare to DWP deceased list and other datasets held by Cabinet Office	<b>On-going</b>	<b>Q.3</b>
F17	Fake Invoices	<b>9</b>	Fraud newsletter to inform staff of risks	<b>To do</b>	<b>Q.3&amp;4</b>

### **New & emerging**

TBC	No recourse to public funds	<b>TBC</b>	Pro-active operation to assess risk	<b>On-going</b>	<b>Q.2&amp;3</b>
TBC	Residential Care Homes/Tenancy	<b>TBC</b>	Pro-active operation to assess the risk of clients being placed from Council property into care within housing being notified of the change.	<b>On-going</b>	<b>Q.2&amp;3</b>

	Case Description	Result/Outcome
1.	<p><b>EMPLOYEE FRAUD</b> - Allegation received from Tri-Borough Schools Human Resources (HR) that a member of staff had provided false employment reference and bank statements to a third party to secure a private tenancy.</p> <p>In doing so, it was believed that the individual fraudulently used school's headed paper and forged a previous Head Teacher's signature.</p> <p>The Primary School had been approached by a vetting agent, Diligent Services, to confirm the authenticity of an Offer of Employment letter. The letter said the subject was employed as a Behaviourist Specialist on £32,000 per annum. In fact, the subject was employed as a Teaching Assistant at a lower salary.</p> <p>Enquiries with Diligent Services confirmed that she had provided a counterfeit employment letter on headed school paper, and bank statements in support of her application on which she had made a false declaration. They also provided recordings of several phone calls in which the subject continued to lie about her employment when challenged.</p>	<p>CAFS provided HR with a full report to consider further action, although the employee failed to report for work and subsequently resigned with immediate effect which was accepted by the school.</p>

<p><b>2. EMPLOYEE FRAUD</b> - CAFS received an allegation from a local Primary School. The school's Head Teacher raised concerns regarding the Office Manager and her involvement in a recent building procurement.</p> <p>During the build, the Head Teacher had been told that the Office Manager's son was on site and undertaking the construction and that a company, who were rejected at tender stage of the procurement, had now been commissioned to complete the build. These changes had not been declared to the governors or the Head Teacher.</p> <p>CAFS attended the site where the Office Manager was suspended pending investigation.</p> <p>CAFS investigation revealed that the Office Manager had overseen the procurement of design and building work for the school's main entrance, main reception area and office. In May 2015 she presented her proposals. Four companies had bid for the work, and the board of governors gave authorisation for the contract to be awarded, for the value of £25,000.</p> <p>However, it transpired that when the work was commenced, in the 2015 summer break, it was undertaken by one of the unsuccessful tenders and that the final cost of the project was £38,709.</p> <p>Furthermore, while the work was being carried out, it was revealed that the Office Manager's son was one of the builders and that there were further links between the Office Manager and company.</p>	<p>A hearing, held in April 2016, found that the Office Manager had breached the Council's disciplinary code and as a result, she was dismissed without notice with effect for gross misconduct.</p> <p>A case review was held to consider prosecution action, although it was deemed to have failed the evidential test due to hearsay rules, an absence of documented decision making and any evidence that proved the Office Manager financially benefitted from the offence.</p>
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<p><b>3.</b></p>	<p><b>TENANCY FRAUD (CWH)</b> – CAFS received a referral from an Estate Office regarding the possible subletting of a Tothill House property. Housing Officer visits to the address found another person in the property who claimed that the tenant was visiting relatives in Newham.</p> <p>Background checks failed to link tenant to any other address but confirmed that their relatives had properties in Newham.</p> <p>Extensive, unannounced visits carried out across a period of 6 weeks but on each occasion investigators received no answer at the property.</p>	<p>A Notice to Quit was served by the Estate Office based upon the evidence gathered. This was not contested, and a possession order was obtained. Bailiffs carried out eviction on 26 April 2016, recovering the one-bedroom property that can now be allocated to someone in genuine need of assistance.</p>
<p><b>4.</b></p>	<p><b>PROCEEDS OF CRIME (deterrent)</b> – In August 2015 CAFS successfully prosecuted a man who illegally sub-let his CWH property in Cuthbert House, W2. But in a "groundbreaking" case, CAFS also prosecuted the subtenant who had colluded with the man to defraud CWH.</p> <p>The investigation revealed that the tenant had been living with his partner at an address in Altringham, which they jointly owned. He had been subletting the Cuthbert House address to a female and her partner.</p> <p>To disguise that the property was being sublet the male tenant conspired with the female subtenant and pretended to be in a relationship.</p>	<p>On 3<sup>rd</sup> August 2015 at Southwark Crown Court the tenant was given a 10month prison sentence, and the subtenant was given a 9month prison sentence, both of which were suspended for one year.</p> <p>Upon sentencing, CAFS served Proceeds of Crime papers on the two convicted individuals. The tenant, for the rent he received from the subtenant and the subtenant, which the Council stated, had saved money by illegally renting the CWH address below market rents, and at a cost to Council who could not use the property to support a family in genuine need of assistance.</p> <p>On 28<sup>th</sup> April 2016 the Court ordered the defendants to repay a total of £96,083.20 within three months or else serve a two-year prison sentence. The tenant was ordered to pay £39,606.84 plus costs (£2,000). The subtenant was ordered to pay £49,476.36 plus costs (£5,000).</p>

5.

**BLUE BADGE FRAUD** – During an inspection regime checking on disabled bays, officers saw the driver of a black Mercedes CLC get into the vehicle and drive to the next road, Duchess St, where she parked in another Disabled Bay.

Officers asked to see the badge which she confirmed belonged to her grandfather. She claimed he was in an Eye Clinic in Harley Street.

Officers asked which one, but she refused to say. Getting agitated the driver called her sister who she said was a lawyer. The mobile phone was passed to the investigator where the sister proceeded to tell the officer she would “sue” him, and telling him what he was doing was completely illegal and harassment and just utterly deplorable.

After the phone call the driver refused to cooperate any further and drove off.

Officers checked badge’s detail with the issuing authority, London Borough of Hackney, who confirmed that the family had reported the badge lost.

The case was heard at Westminster Magistrates Court in July 2016. The driver entered a guilty plea by post. In the correspondence, she admitted she had lied to officers and apologised to the court.

The Magistrates gave her credit for her early guilty plea and took into account her means. She was fined £175, ordered to pay costs £810 and a victim surcharge of £20.

The defendant was given 28 days to pay, and a collection order was made in the event of non-payment

6.

**HOUSING FRAUD (Succession)** – Investigation into allegations that Dukes House property was being sublet identified that a succession tenancy application, being made by the tenant's brother at a different address, may be fraudulent.

The subject applied to succeed a tenancy on Sheraton House following the death of his mother, the sole secure tenant. He had claimed to have been living there for two years before the death of his mother and therefore qualified to succeed her tenancy. His succession was being challenged by the estate office. However, they had no evidence to place him elsewhere.

During the investigation by CAFS into the alleged sublet a Dukes House property, evidence was gathered that linked the succession applicant to Dukes House and not Sheraton House.

In fact, there were no financial links or any other evidence to associate the applicant with Sheraton House.

The evidence, along with a brief statement of the results were supplied to the estate office and subsequently formed the central part of their civil action to deny the tenancy succession on Sheraton House.

The applicant failed to file a defence by the required deadline of 09 December 2015, following the serving of notice of court action. However, he was granted an extension by the District judge hearing the case.

The subject attended the offices of the Council's appointed solicitors to file his defence after the expiry of the extension and became verbally abusive to the staff.

Following a further delay, a hearing was set at Central London County Court on 30 March 2016 for CityWest Home's application to reject the tenancy succession.

The subject failed to attend, so an order was granted in his absence. However, he subsequently sought to appeal that decision.

A further hearing took place on 13 April 2016 at which time his application to set aside the possession order was dismissed. His application to appeal that decision was refused. An order was made giving a 14-day notice of vacant possession of the Sheraton House address to CityWest Homes, and he was sentenced to pay costs of £668.64

<p><b>7.</b></p>	<p><b>TENANCY FRAUD</b> – A case was referred to CAFS by an anonymous caller advising that the legal tenant had parted with possession of her social housing property by leaving the UK and returning to Turkey. The caller said that she had passed the property over to her daughter.</p> <p>Investigation showed that the daughter was not entitled to the tenancy and had not applied for any assignment. Visits made to the property revealed that the tenant was not present, and investigations, including liaison with UK Border Agency, showed the tenant had travelled to Turkey many years previous and had never returned.</p>	<p>The matter was listed at court for an abandonment hearing and possession forthwith was granted to CityWest Homes on 18 May 2016.</p> <p>Authority to Evict procedure was conducted by the Estate Office to ensure vacant possession was obtained so that this two bedroom, first floor flat, could be occupied by someone in genuine need of assistance.</p>
<p><b>8.</b></p>	<p><b>HOUSING FRAUD (Succession)</b> – CAFS received a referral from CWH when they suspected the succession application for a flat in Doneraile House, Ebury Bridge might not be genuine.</p> <p>The Housing Officer knew of no one else except the late tenant living at the property.</p> <p>CAFS were unable to find any record of the applicant in the UK and therefore turned to the UK Border Agency. They confirmed that the applicant had only been in the UK for a short period when the application was made and had since returned to Pakistan. Qatar Airways confirmed that this had been a return ticket purchased in Pakistan.</p>	<p>Other background checks confirmed that the deceased tenant had declared being a sole occupant for benefit and council tax purposes, and there were notes on file to show he was being supported by Adult Social Care as a single person with no family.</p> <p>An interview appointment was sent, but this was never replied to. However, keys to the property were returned to CWH and vacant possession received.</p>

<p><b>9.</b></p>	<p><b>TENANCY FRAUD (Octavia)</b> - A Long-standing case with Octavia, who had investigated on several occasions but had never been able to proceed, was referred to CAFS.</p> <p>The allegation was that the tenant of a Penfold Street property owned property in Milton Keynes and sublet the Octavia property in NW1.</p> <p>Octavia referred the case to CAFS for further enquiries, and in January 2016 investigators further confirmed that the tenant was liable for Council Tax and utility bills at the Milton Keynes address. Bank statements were also obtained under PoSHFA powers that showed that all of his financial activity is in the Milton Keynes area and that he is paying the mortgage for the property.</p>	<p>The tenant was invited to attend an interview under caution which he declined to attend and returned the keys forthwith to Octavia with vacant possession.</p>
<p><b>10.</b></p>	<p><b>BLUE BADGE FRAUD</b> – Officers challenged a driver who had parked his vehicle in Duke Street, in a Disabled Bay, and was displaying his mother’s Blue Badge.</p> <p>When questioned he said that his mother was shopping alone on Oxford Street, and he would go to collect her later. However, when officers suggested they accompany him to meet his mother, he confessed that his mother was actually at home in Harrow.</p> <p>He accepted that he should not have parked in the Disabled Bay without his mother and knew that Disabled Badges were only for use by the Badge Holder.</p>	<p>The case was heard at Westminster Magistrates Court in August 2016. The defendant was not in attendance and so the Council applied to prove the case in the absence of the defendant.</p> <p>The matter was duly proved, and the Judge said that there was an apparent attempt by the defendant to mislead.</p> <p>The defendant was fined £200 for the offence. The defendant was ordered to pay costs in the sum of £450, and a £20 victim surcharge was imposed. The defendant was ordered to pay in full within seven days.</p>



<p><b>11.</b></p>	<p><b>TENANCY FRAUD (Genesis Housing)</b> – The case was referred to CAFS by London Borough of Kingston-Upon-Thames when the subject applied to Kingston’s school admissions stating her and her children lived in the borough.</p> <p>During their due diligence checks, Kingston realised the subject’s links to WCC and advised us accordingly to ensure that all services within WCC were no longer being provided to this ex-resident.</p> <p>CAFS interrogated the Council’s systems and identified the subject as a resident in Westbourne Terrace where she held a social tenancy with Genesis Housing Association that had not been surrendered.</p> <p>Further investigations revealed the tenant had vacated WCC in February 2015 when she signed a joint tenancy with her fiancé at a private letting (four-bedroom property) in Kingston.</p>	<p>The subject was invited to attend an interview where the evidence was disclosed to her. She confirmed she was living elsewhere as her main and principle home and that it was big enough for her, her fiancé and their three children.</p> <p>She was apologetic about not advising Genesis this change and signed a relinquish of tenancy form.</p> <p>Tenancy became vacant possession on 28 June 2016 and nomination rights are given to CityWest Homes for the recovery of this two bedroom flat.</p>
<p><b>12.</b></p>	<p><b>BLUE BADGE FRAUD</b> – Investigation Officers stopped a gentleman who had parked his vehicle in Great Portland Street.</p> <p>Upon inspection, it was clear that the badge holder was the son of the driver, but following questioning the driver admitted that he parks the car while he works his shift in the local Pret-a-Manger.</p> <p>In his mitigation, he claimed that as he had to get home quickly after work to care for his son, he needed his car to drive to work. He said that he felt because he was returning home quickly to help his son that he could park in a disabled bay.</p>	<p>In August 2016, at Westminster Magistrates Court, the driver pleaded guilty, and in sentencing, the judge gave him credit for his plea. The judge accepted that there might have been a misunderstanding to some extent, but went on to reprimand the defendant saying that people cannot abuse the system and think they can get away with it.</p> <p>For the credit given the judge reduced the costs, and reduced the fine due to the defendant’s means. He was sentenced to a fine of £100, costs £100 and a victim surcharge of £20</p> <p>The defendant was ordered to pay £20 per week every Friday, and a collection order was made should the defendant default.</p>

13.

**RESIDENT'S PARKING** – A referral was passed to CAFS when a new application appeared suspicious. The applicant had applied for a permit giving a residential address in Shepherd Market. This particular address had no residential properties listed.

Proofs of residency included bank statements and a BT phone bill. On each occasion, the address is given as Suite 194, Shepherd Market.

The address was known to CAFS as a commercial address and was the location of commercial premises for the company Mail Box Etc, who provide a mail collection service and offer P.O.Box facilities.

The permit was declined, although this did not deter the applicant's personal assistant who called to enquire why the permit had been refused.

During the conversation, the P.A. argued that all the applicant's evidence provided clearly shows her employer's address. However, when it was pointed out to the P.A. that Suite 194 was merely a 12" x 12" metal postal box, she admitted that her employer lived in Wembley, and quickly began to realise why the permit was not issued.

A decision was taken that it was not in the public interest to proceed with legal action, although a warning letter was issued which will remain on file, should the applicant re-apply while not eligible.

<p><b>14.</b></p>	<p><b>TENANCY FRAUD</b> – A data matching output suggested that the tenant of Westbourne Terrace property was also receiving welfare benefit for an address in the London Borough of Hackney.</p> <p>Enquiries with Hackney Council and Islington &amp; Shoreditch Housing Association confirmed that tenant had held an assured tenancy in Islington since 2008.</p> <p>The file showed the tenant had spent a period in prison between 2009 and 2011. On his release, he approached WCC as homeless and failed to declare having another tenancy. He was subsequently granted the tenancy at Westbourne Terrace.</p>	<p>The tenant attended an interview with legal representation, and an agreement was reached that no further action would be taken if the tenancy was surrendered immediately. Following consultation with CWH this was arranged, but when the Housing Officer went to take possession of the property, an illegal subtenant was found in occupation.</p> <p>A witness statement was obtained, and the original tenant attended a further interview regarding further sub-letting offences where he made no comment.</p> <p>However, following this interview the witness withdrew their statement claiming that it had been their cousin who was a subtenant and that they had been squatting. Further enquiries were made to identify the subtenant, but these were unsuccessful.</p> <p>Due to contradictory witness evidence regarding the subletting, no further action could be taken in respect of these new charges, and original case closed as per agreement on surrendering the tenancy.</p>
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