



## **Housing Management and Almshouses Sub (Community and Children's Services) Committee**

**Date:** TUESDAY, 21 OCTOBER 2025  
**Time:** 11.00 am  
**Venue:** COMMITTEE ROOMS, 2ND FLOOR, WEST WING, GUILDHALL

### **15. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

- a) Social Housing Tenancy Fraud Investigations: Annual Report 2024/25

**For Information**  
(Pages 3 - 14)

Report of the Chief Group Internal Auditor.

**Ian Thomas CBE**  
**Town Clerk and Chief Executive**

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## City of London Corporation Committee Report

<b>Committee(s):</b> Housing-Sub Committee – For Information	<b>Dated:</b> 21/10/2025
<b>Subject:</b> Social Housing Tenancy Fraud Investigations: Annual Report 2024/25	<b>Public report:</b> N/A
<b>This proposal:</b> <ul style="list-style-type: none"> <li>• <b>delivers Corporate Plan 2024-29 outcomes</b></li> <li>• <b>provides statutory duties</b></li> </ul>	Corporate Plan: Providing Excellent Services  Statutory Duties – 151 Officer: securing a proper control environment including an effective internal audit function to minimise the risk of financial loss, the inefficient use of resources and the potential for fraud
<b>Does this proposal require extra revenue and/or capital spending?</b>	No
<b>If so, how much?</b>	£ N/A
<b>What is the source of Funding?</b>	N/A
<b>Has this Funding Source been agreed with the Chamberlain's Department?</b>	N/A
<b>Report of:</b>	Matt Lock, Group Chief Internal Auditor
<b>Report author:</b>	Chris Keesing, Counter Fraud & Investigations Manager

### Summary

In total 55 social housing tenancy fraud investigations were completed during the 2024/25 reporting year with an associated value of £357,756. The majority of this relates to notional or preventative savings.

The team continued to support the City Corporation's Housing team through the provision of advice and information, and the review of procedures, forms and processes to design out fraud by default.

In addition to this activity, we have continued to refresh housing data in London Fraud Hub, which has allowed the City Corporation to proactively monitor our social housing stock for the risks of fraud, including identifying new addresses for tenants that may

suggest sub-letting, and fortnightly matching against deceased data to check whether we have been advised of a tenant passing away.

### **Recommendation(s)**

- Members are asked to note the report.

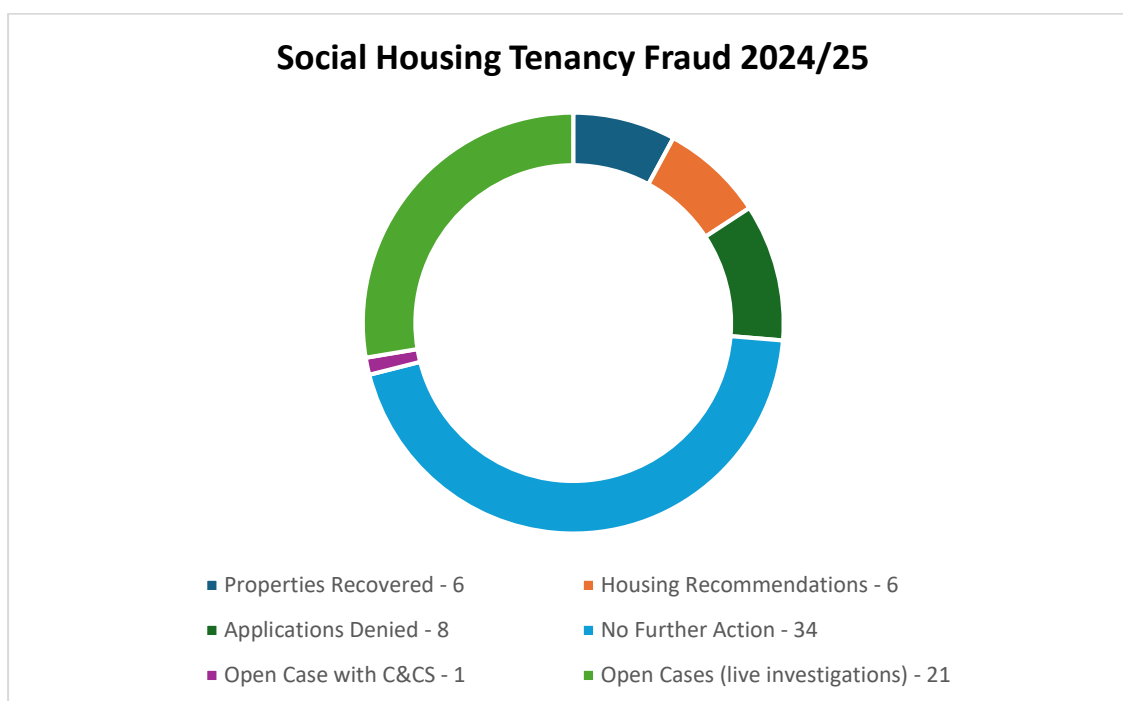
### **Main Report**

#### **Background**

2. This report provides Members with an update on the activity of the Anti-Fraud and Investigation team in relation to social housing tenancy fraud during the 2024/25 reporting year. It also provides Members with an update against key anti-fraud initiatives, developments to assist in the prevention, detection and reporting of fraud and any new and/or emerging social housing tenancy fraud risks.

#### **Investigation Activity Summary**

3. The team provides a full investigative response across all aspects of housing, from initial applications, screening of succession requests, the investigation of civil and criminal tenancy offences, and right to buy screening.
4. The chart below provides a summary of the volume of social housing tenancy fraud investigations carried out by the Counter Fraud team in 2024/25.



5. During 2024/25, the Counter Fraud & Investigation team completed 55 social housing tenancy fraud investigations, with an associated value of £357,756, including one property recovered through civil action. The team also made management recommendations in six cases and stopped eight fraudulent housing applications from progressing. One case is listed for criminal trial at the Crown court in July 2026.

6. A summary of the positive outcomes and associated values from our tenancy fraud work can be found in the table below.

Description	Number	Value (£)
Properties Recovered Valued at £59,626 per property	6	357,756
Housing Recommendations	6	Nil
Applications Denied	8	Nil
Totals	20	357,756

7. The values associated with a tenancy fraud have been calculated based on nationally accepted and practiced calculations, based on a number of factors including the costs of temporary accommodation, the costs of investigation and litigation activity associated with recovery of property lost to fraud, and associated void costs. A copy of this calculation can be found at Appendix 3.
8. The team undertook a detailed review of all open investigations in 2024/25, closing those aged cases with no realistic chance of a successful outcome. As such on 01 April 2025, the team had a caseload of 21 active social housing tenancy fraud investigations.
9. Whilst there is a strong culture of fraud awareness amongst housing colleagues following the ongoing focus on fraud awareness training, advice and information from the Counter Fraud team, and strong measures to identify fraud at the point of application, there remains an inherent fraud risk within social housing at the City, and repeated across London social housing providers, compounded by lack of supply verses demand, cost of living and financial pressures, and opportunistic and intentional profiteering by tenants committing social housing tenancy fraud.
10. The volume of Right to Buy (RTB) screening referrals spiked during the reporting year, with 32 referrals following the central Government announcement of the reduction of the RTB discount which took effect in November 2024, the team continues to review these on a risk-based approach, should they proceed past the valuation stage. We anticipate the volume of RTB screening referrals in the current and future years to significantly reduce owing to the discount now being capped at £16,000.

### **Proactive Counter Fraud Activity**

11. The team has reviewed and advised, from a fraud risk perspective, on the revised tenants handbook and the new tenancy agreement, ensuring that appropriate fraud prevention information is included, and that the risks of fraud are mitigated through enhancing the robustness of these key tenancy documents.
12. The team continues to provide access and support to the housing teams with the NFI App Check, this provides a mechanism for housing allocation officers to check data provided in support of housing applications as one part of the verification process, and to check whether NFI records suggest that applicants have links to social housing elsewhere, or addresses, that have not been declared, allowing for further scrutiny during the assessment process. Where there are no matches returned, this provides a degree of assurance that the information provided is true and complete.

13. The City Corporation is a founding member of the NFI London Fraud Hub, the Fraud Hub provides a continuous matching solution against tenant data, and flags concerns that may require further investigation. A key match relates to matching tenant data against deceased records from the General Records Office, with deceased data being refreshed every two-weeks. The output from this matching provides intelligence that tenants may have passed away and allows the team to check that the City Corporation has been notified, and to take appropriate follow-up action where necessary.
14. The team has commenced a proactive exercise matching tenant data against credit reference agency data to identify potential fraud. The exercise has flagged 1,335 records where tenant data has matched against credit reference agency data and may require some intervention. A summary of the output can be found in the table below.

Number of Cases	1,867	
Worklist	Frequency	Percent
01 - Very High Risk	14	0.7%
02 - High Risk	13	0.7%
03 - Medium Risk	60	3.2%
04 - Low Risk	472	25.3%
05 - Very Low Risk	645	34.5%
06 - Tenant is potentially deceased	6	0.3%
07 - Tenancy address not found	0	0.0%
08 - Tenancy address empty	33	1.8%
09 - Declared cohabiter(s) not found at address	68	3.6%
10 - Undeclared cohabiter is potentially an alias of the tenant	17	0.9%
11 - The supplied DoB differs to the one held by Experian	7	0.4%
NIL	532	28.5%

15. The team are focused on reviewing the 27 very high risk and high-risk matches; within the first three weeks of working on these matches the team has successfully agreed the recovery of one social housing property obtained by deception, where the tenant failed to declare home ownership.
16. The team will utilise the credit reference agency output data to support the housing divisions full tenancy audit by using intelligence to identify inspections where there may be a fraud risk, and where Counter Fraud team support and/or intervention may be needed during, and post, tenancy inspection.
17. A poster campaign across the City's social housing estates has been launched, these posters seek to warn against the risks of social housing tenancy fraud and include details about how to raise a concern, including a QR code that links directly to our electronic report a fraud form. An example of one of these posters has been included as Appendix 2 to this report.

## Corporate & Strategic Implications

18. The work of the team is designed around preventing and detecting social housing tenancy fraud risks across the organisation by providing a comprehensive counter fraud and investigation response, ensuring that key tools and mechanisms to identify fraud, and to mitigate against the risks of fraud are in place to, safeguard the City Corporations social housing assets, and recover property lost to fraud allowing affordable and secure property to be allocated to those in the greatest need of housing.

## **Conclusion**

19. The team continues to perform strongly by recovering housing lost to fraud, allowing it to be allocated to those in greatest need of affordable and decent housing.

20. The teams proactive counter fraud activity is designed to both identify social housing tenancy fraud, and to mitigate against the risks of fraud both at the point of application and where fraud occurs during a tenancy.

21. The credit reference agency data matching and the teams support for the tenancy audit will be key focus areas for the team during 2025/26.

## **Appendices:**

- **Appendix 1 – Case studies – social housing tenancy fraud investigations 2024/25**
- **Appendix 2 – Poster campaign example**
- **Appendix 3 – Tenancy fraud value calculation**

## **Contact:**

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## **Appendix 1 – Case study – social housing tenancy fraud investigations**

### **2024/25**

#### **Housing Application Fraud, Leading to Recovery of City of London Tenancy**

This case was referred by the Housing Officer on the City's Southwark Estate due to rent arrears and the failure of the tenant to engage with the City of London. Credit checks carried out by the Counter Fraud team revealed that all the tenant's links are at a social housing address in Hackney, despite the City address allegedly being their only home.

Through liaison with peers in the Counter Fraud team at Hackney Council the team established that the tenant has large rent arrears with them and is in the process of being evicted. A review of the declarations made by the tenant during their application for housing with the City found that the tenant had, indeed, declared this address during their application, but failed to disclose the true circumstances around it, had they done so, they would have been ineligible for housing at the City and the application would have been cancelled.

Further intelligence enquiries suggested that the tenant had been sub-letting the property in Hackney since becoming a City of London housing tenant, whilst more detailed enquiries revealed that the tenant had made further false declarations surrounding their City connection, providing counterfeit employment documents, payslips and falsifying letters to give the impression that they had an eligible City connection.

The tenant was interviewed under caution admitting that they declared wrongful employment during the housing application and admitted to providing false proof of employment proof however, they maintained that their work was still in The City boundaries at the time the application was made, providing a list of addresses where they work for their current employer.

Contact was made with the current employer, which identified that the locations declared for workplaces currently and previously were false, in fact none were within the square mile.

The tenant had made several dishonest and duplicitous declarations and furnished false documents throughout the application process.

The tenant has been evicted from social housing with a criminal case to be heard in the Crown court.

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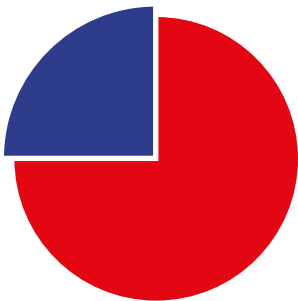


# TENANCY FRAUD

DON'T IGNORE IT, REPORT IT



**1/4 OF US**  
don't know our neighbours.



#### What to look for:

- Unusual activity in your community
- People moving in & out regularly
- Empty or abandoned property

#### TENANCY FRAUD INCLUDES:

- Subletting
- Providing wrong information to get housing
- Abandonment



**£1 BILLION**  
**PER YEAR**  
lost to tenancy fraud



**YOUR**  
**£27**



#### Why report it?

Your tax money pays for fixing the damage caused by tenancy fraud.

This could be the difference between heating your home for the weekend or not.

**OVER**  
**1 MILLION**  
**FAMILIES**

Are on the waiting list for social housing.  
Are you one of them?



**HOME**  
**FRAUD**  
**HOME**

**50,000**  
**UNLAWFULLY SUBLET**

Having difficulty getting on the property ladder?

50,000 homes may be unlawfully sublet in the UK.

DON'T IGNORE IT  
**REPORT IT**

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### Appendix 3

#### COL Tenancy Fraud Values Median of Inner and Outer London Placement

Category	Median of Inner & Outer London placement cost	Explanation
<i>Add</i> : Annual average temporary accommodation cost per family for individual councils	£13,650  Median of Inner Outer London Placement at CoL	Median of Inner and Outer London Placement Costs for City of London
<i>Less</i> : For individual councils only, remove annual average housing benefit received related to that temporary accommodation cost	N/A to national calculation	For councils, housing benefit payments from central government that relate to temporary accommodation costs could be netted off to establish the local cost to individual councils. However, such benefit payments are provided by central government. They are thus NOT netted off when establishing the true cost of tenancy fraud to the national public purse.
<b>Sub-Total</b>	£13,650	
Multiply sub-total above by 3	£40,950	Sample of tenancy frauds detected by housing providers found 3 years to be a prudent average length of such fraud (range was typically 3.2 to 3.5 years)
<i>Add</i> : Average investigation costs	£2,017	Fraud Investigator 56 hours & Fraud Manager 5 hours  Average FI hours per tenancy fraud = 56   Average Fraud Manager hours per tenancy fraud = 5
<i>Add</i> : Average legal costs	£12,000	£12,000 average cost of recovery when considering contested and non-contested cases as per legal
<i>Add</i> : Average Void costs	£4,659	Includes void costs of £1,723 (average of last three years) and building & electrical works and decorations allowance (average across 1, 2 & 3 bed flats) of £2,936
<b>Total costs</b>	£59,626	This represents the <b>average cost</b> of a detected tenancy fraud at <b>City of London</b> to the public purse.

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