

Factsheet

Tenancy Fraud

What is tenancy fraud?

Tenancy Fraud (also known as social housing fraud) occurs when a local authority or housing association home is occupied by someone who is either not legally entitled to be there, has obtained use of the property fraudulently or leaves the property empty while living elsewhere.

Tenancy fraud causes significant social harm and can lead to antisocial behaviour. It deprives legitimate and deserving tenants access to affordable homes and has a direct impact on local people, their families and communities.

There are approximately 1.15 million households on social housing waiting lists in England and The Audit Commission's final Protecting the Public Purse Report in 2014 estimated the total loss to tenancy fraud for local authorities and housing associations to be £1.8 billion.

Types of tenancy fraud

Subletting: A tenant rents out all or part of their property to someone else without the permission or knowledge of the landlord.

Application fraud: A prospective tenant knowingly provides false information on their housing application in order to gain or property or applies for multiple properties in different locations and through different landlords.

Right to buy/Right to acquire fraud: A tenant knowingly provides false information when applying to but the house they live in under the scheme.

Succession fraud: A person moves into a property when the legal tenant either dies or moves away without the right to do so or misrepresents the amount of time they have been there.

Key-selling: A tenant or an employee of a local authority or housing association receives a one off payment to give the keys of a property to someone who is not entitled to live there.

Abandonment/non-occupation: A tenant moves out of their property without informing the landlord.

Offences

Under criminal law fraud is mainly dealt with under the **Fraud Act 2006**. Tenancy fraudsters can also be prosecuted under the **Prevention of Social Housing Fraud Act 2013**. Convictions can result in a fine, imprisonment or both. The courts also have the power to make the tenant pay back any profits made from the fraud.

Civil law allows local authorities and housing associations to re-gain possession of properties that are not be used in accordance with the terms of the tenancy agreement and remedies are also available to recover money lost through fraud.