

## **SLOUGH BOROUGH COUNCIL**

**REPORT TO:** Neighbourhood & Community Services Scrutiny Panel **Date:** 29 June 2015

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**WARD(S):** all

### **PART I**

#### **FOR INFORMATION**

#### **SUBLETTING FRAUD AMNESTY**

1. **Purpose of Report**

This report is brought to Panel to update on the issue of illegal subletting of council homes and for information regarding the Fraud Amnesty which occurred in March of 2015.

2. **Recommendation(s)/Proposed Action**

The Committee is requested to note the report

3. **The Slough Joint Wellbeing Strategy, the JSNA and the Five Year Plan**

The quality of and access to housing is a key priority for the council. Slough's five year plan.

Although the council has access to some 6,300 tenanted units and approximately 4,000 homes managed by housing associations in practice only about 500 void (empty) units are available for re-allocation each year. As a result it is essential that we make best use of the housing stock we do have by ensuring it is tenanted by households who have been assessed as having a housing need

3a. **Slough Joint Wellbeing Strategy Priorities**

3b. **Five Year Plan Outcomes**

The amnesty is contributing to the outcome of ensuring there are more homes in the borough, with quality improving across all tenures to support our ambition for Slough

It also contributes to ensuring the Council's income and the value of its assets will be maximised

4. **Other Implications**

(a) **Financial**

There are no direct financial implications arising from this report but the cost of a homeless household in temporary accommodation has been estimated as £18,000 per year. The recovery of properties therefore has a direct financial link to the cost of temporary accommodation.

The costs involved with having a Subletting Amnesty were minimal. The printing of posters was £70 and radio and press coverage was at no cost.

**(b) Risk Management**

As an information report there are no risks associated with this issue.

**(c) Human Rights Act and Other Legal Implications**

As part of the amnesty the public were advised that no prosecutions would be levied at those who submitted keys during the amnesty.

**Equalities Impact Assessment**

The Council has a public sector duty under the Equalities Act 2010 to eliminate discrimination, harassment and victimisation and to promote equality of opportunity to all persons and to those who share a protected characteristic under the legislation.

**5. Supporting Information**

**Subletting Fraud Amnesty**

- 5.1 The background to having an amnesty in relation to sub letting was to have another tool in dealing with the wide and complex issue of subletting Council properties.
- 5.2 The Audit Commission estimate that approximately 5% of social housing is illegally sublet and in the case of Slough, a borough with a duty to assist homeless individuals, they estimate that the cost of not having a property available through subletting is between £18 and £20 thousand pounds per year in providing temporary accommodation.
- 5.3 In 2012 Slough Borough Council introduced the role of Housing Fraud Investigator to deal specifically with this issue. The following year legislation was passed making the subletting of social housing a specific criminal offence which was a considerable aid in dealing with subletting and also recognition of the scale of the problem.
- 5.4 A variety of measures have been employed to detect subletting (e.g. articles in the local press, obtaining referrals from staff and contractors) which has led to over 30 properties being recovered so far with a saving to the Council of over £600,000
- 5.5 It was decided to offer an amnesty regarding subletting in March of this year for a variety of reasons. Other local authorities had done so with varying degrees of success. Our research showed that some tenants were subletting and being pressurised by family members. The amnesty gave them an opportunity for a way

out. Others had not realised the seriousness of subletting and again it gave them an opportunity to walk away.

- 5.6 The amnesty was publicised widely across Slough through all forms of media and conventional ways (e.g. Posters in all blocks of flats and in public venues, radio publicity).
  - 5.7 Although no keys were submitted during the course of the amnesty, in the 6 weeks following the amnesty 5 properties were recovered.
  - 5.8 In two of the instances there is no doubt that the publicity regarding the amnesty and raising the profile of subletting to the public led to information that enabled the recovery of the properties.
  - 5.9 The Subletting Amnesty needs to be regarded as an additional tool in dealing with the fraud and we are currently planning a further, second stage campaign to encourage the public to report subletting that they have witnessed. This has proven successful in other areas of the country and will be reinforced by a 'zero tolerance' message from the council given that any perpetrators have now had the benefit of the amnesty but declined to take advantage of it. .
  - 5.10 We may run occasional, future amnesties because the whole trend is about raising the public awareness of subletting by as many means as possible. If we do so, we will however promote and advertise it for at least a full month before the amnesty begins in order to allow the subletting household to find somewhere else to live and thereby avoid becoming a homelessness burden to the council. In the meantime the Fraud Officer will continue to work closely with Neighbourhood housing staff with the expectation that further properties will be recovered to add to the growing list of successes to date.
6. **Comments of Other Committees** - None
  7. **Background Papers** - None