

TENANCY FRAUD LONDON 2025

Learning the lessons

Acknowledgments

The London Borough Fraud Investigators Group, Tenancy Fraud Forum, G15 and CFPAB would like to extend their special thanks to Alan Bryce for the statistical analysis and preparation of the report.

London Boroughs Fraud Investigators Group (LBFIG)

The objectives for LBFIG are to disseminate best practice through our professional network, to identify, discuss and tackle cross boundary fraud through innovation and collaboration, and to act as a collective voice for London Borough fraud teams with local and central Government departments and agencies and private sector bodies, and more generally, to represent the interests of local authority fraud investigators in London.

All 32 London Boroughs and the City of London Corporation have active Counter Fraud & Investigation teams, and all are represented at LBFIG. A number of other not-for-profit public sector bodies including housing associations and home counties local authorities are affiliate members of LBFIG.

Tenancy Fraud Forum (TFF)

Started in 2012, the Tenancy Fraud Forum was established to encourage and support social housing providers across the country to tackle tenancy fraud more effectively through collaboration, sharing of best practice, training and guidance. The Executive Committee is made up of fraud specialists from local authorities and housing associations. It is a not for profit organisation and membership is free and always will be.

G15

The G15 is the group of London's largest housing associations, housing one in ten Londoners. G15 is the largest provider of affordable homes in the capital, building a quarter of all London's new homes and owning or managing more than 770,000 homes across the country.

Funding:

Counter Fraud Professional Awards Board (CFPAB) provided financial support. The CFPAB was created in 2001 (formerly known as The Counter Fraud Professional Accreditation Board) from the merger of the National Counter Fraud Accreditation Board and the NHS National Professional Accreditation Board. In 2022, the CFPAB was set up as a registered charity for advancing education in counter-fraud, promoting and ensuring high professional standards in counter-fraud practice for public benefit. Northumbria University has since 2019 managed the secretariat service for the CFPAB.

CONTENTS

EXECUTIVE SUMMARY

1. Findings
2. Lessons and Recommendations
1. INTRODUCTION
 - 1.1 The Scale, and the Cost
 - 1.2 The Issue
 - 1.3 Methodology
2. SURVEY FINDINGS: LONDON BOROUGHs and TENANCY FRAUD DETECTIONS
3. SURVEY FINDINGS: LONDON HOUSING ASSOCIATIONS and TENANCY FRAUD DETECTIONS
4. BENCHMARKING TENANCY FRAUD
5. LONDON TENANCY FRAUD DETECTION SAVINGS
6. INVESTIGATING TENANCY FRAUD: IMPACT AND APPROACHES
 - 6.1 Impact
 - 6.2 Approaches
7. INVESTIGATING TENANCY FRAUD: MANAGEMENT AND OTHER BARRIERS TO ACTION
 - 7.1 The Financial Dilemma for Housing Associations
 - 7.2 Regulator of Social Housing
 - 7.3 Online short term or holiday letting-letting platforms
8. LESSONS AND RECOMMENDATIONS
 - 8.1 Lessons
 - 8.2 Operational and Organisational Recommendations

TABLES

- Table 1: London boroughs tenancy fraud detections 2013/14 & 2023/24
- Table 2: London housing association tenancy fraud detections 2023/24
- Table 3: London borough detection rate as % of stock 2023/24
- Table 4: Housing association detection rate as % of stock 2023/24
- Table 5. A Difference of Perception?

CASE STUDIES

- Case study 1. Impact of specialist investigators – the experience of one London housing association
- Case study 2. Public Reporting
- Case study 3. Online Short-term Lets
- Case study 4. Joint – and Joined-up - Working

EXECUTIVE SUMMARY

1. Findings

There are over 800,000 social homes in London; 54% provided by housing associations and 46% by London boroughs. There are 300+ individual housing associations operating in London. There are approximately 70,000 homeless families in temporary accommodation in London, over 300,000 families on the London housing waiting list and nearly 50,000 social homes in London subject to some form of tenancy fraud.

Total tenancy fraud detection by London boroughs has fallen 40% in the last ten years, two thirds of this fall is the result of a combination of central government policy, reduced funding and changing priorities. Approximately a third of the fall is due to variability in the tenancy fraud definitions used by a minority of boroughs and the reluctance of some to participate in this research. However, the overall trend is one of fewer detections than ten years ago. Some boroughs have been able to buck this trend, but they are in the minority.

Many London boroughs are facing severe pressures on finances. London has the most homeless families in temporary accommodation across England. Both are driven, in part, by tenancy fraud, generally defined as occupying a social housing property unlawfully. Tackling tenancy fraud will not solve London's housing crisis alone nor address public sector funding shortfalls but it can play an important part in how they are resolved.

The Tenancy Fraud Forum, London Boroughs Fraud Investigators Group and G15 (representing the largest housing associations in London) with funding from the Counter Fraud Professional Awards Board (CFPAB) commissioned an innovative voluntary survey of tenancy fraud detection by both London boroughs and housing associations. The survey also captured the views of London's tenancy fraud experts, the specialist fraud investigators who deal daily with such fraud.

2. Lessons and Recommendations

This report identifies what needs to be done and by whom, with lessons for social housing providers across the country.

Detection and recovery has generally fallen, exacerbating the availability of social housing stock and the associated financial losses. In theory all social housing providers should be able to detect broadly the same level of tenancy frauds every year, proportionate to their housing stock. More housing stock would normally equate to more total tenancy fraud in total being committed which in turn leads to more detection opportunities but the survey has noted issues concerning organisational commitment and investigative capacity that require attention.

There are compelling moral and financial arguments to fight tenancy fraud. Re-allocating properties recovered from tenancy fraudsters to homeless families in temporary accommodation is both faster and more cost effective than building new homes. However strong that argument may be, it is unlikely to result in significant action to tackle tenancy fraud without national, regional and local political and public support.

The survey asked participants to identify what would make the biggest improvements in tenancy fraud detection in London. These include:

- Central government funding to tackle tenancy fraud
- More regulatory support for housing associations
- Social housing providers prioritising fighting tenancy fraud
- Enhanced partnership working between councils and housing associations.

Of these, partnership working is key. Housing associations often operate across many borough boundaries, diluting their anti-fraud capabilities over a large geographic area.

In more detail the survey suggests the following recommendations:

- Adopt £66,000 per recovered home from a tenancy fraudster in London when assessing the cost benefit value of using specialist fraud investigators;
- All London social housing providers making a clear public commitment to tackle tenancy fraud;
- Housing association participation in the London Hub or regional/local equivalent data matching service;
- The Regulator of Social Housing (RSH) to provide leadership in the fight against tenancy fraud;
- The RSH to provide a common definition of tenancy fraud for all social housing providers to adopt;
- The RSH should annually collect and publish information on tenancy fraud detection by both local authorities and housing associations;
- The RSH should focus improvement activities on those large housing associations detecting little or no tenancy fraud;
- All social housing providers to ensure public suspicions of tenancy fraud are easily reported on their websites;
- Housing associations should include tenancy fraud on their risk register;
- Provide tenancy fraud awareness training for Housing Management and staff best placed to identify tenancy fraud.

Few if any of these lessons and recommendations are London-centric. They provide obvious questions that other social housing providers should be considering – and many do – and evidenced recommendations that are equally applicable.

1. INTRODUCTION

1.1 The Scale and the Cost

Many London boroughs are facing severe pressures on finances. London has the most homeless families in temporary accommodation across England. Both are driven, in part, by tenancy fraud, generally defined as occupying a social housing property unlawfully¹. Tackling tenancy fraud will not solve London's housing crisis alone nor address public sector funding shortfalls but it can play an important part in how they are resolved. This report identifies what needs to be done and by whom, with lessons for social housing providers across the country.

There are over 800,000 social homes in London; 54% provided by housing associations and 46% by London boroughs. There are 300+ individual housing associations operating in London. There are approximately 70,000 homeless families in temporary accommodation in London, over 300,000 families on the London housing waiting list and nearly 50,000 social homes in London subject to some form of tenancy fraud.

Nationally the cost is significant in both financial and social terms:

- The true victims of tenancy fraud are those who are genuinely unable to access affordable housing close to their families, communities and support networks.
- To the 1.3 million households on social housing waiting lists and the approximately 120,000 households living in temporary accommodation. Tenancy fraud is the second-largest cause of local government fraud losses and when housing supply is reduced by fraudulent tenancies, local councils carry the financial burden of providing temporary accommodation. It is estimated that London Councils alone are spending £114 million per month on temporary accommodation.
- The average national cost to the taxpayer per detected tenancy fraud equates to £42,000 (Tenancy Fraud Forum and Fraud Advisory Panel, 2021) Given recent and rising costs for temporary accommodation, the average cost to the London public purse is now in the region of £66,000 per tenancy fraud detected.

1.2 The Issue

London has long led the way in tackling tenancy fraud. In 2013/14 London detected more tenancy frauds than all other English regions combined. The publication of a complete picture of local authority tenancy fraud, however, ceased in 2015. The Regulator of Social Housing (RSH)² has never published the results of tenancy fraud detections by housing associations. With only scant information on tenancy fraud detection available, the housing sector is effectively blind to what is happening at both a national and regional level to fight such fraud.

¹ There are different types of tenancy or social housing fraud, the terms are used interchangeably. The main types are subletting for profit to someone not entitled to live there under the tenancy agreement, providing false information as part of a tenancy application, wrongful assignment and succession where the property is no longer occupied by the original tenant, failing to use the property as a principal home, abandoning it or 'selling the keys' to a third party. The main types of tenancy fraud are breaches within the tenancy conditions and recovery is often via the Civil courts. However, subletting a social tenancy was specifically made a criminal offence with the introduction of The Prevention of Social Housing Fraud Act 2013. Prior to this the Fraud Act 2006 had been used with some effect.

² The Regulator of Social Housing is a government agency responsible for setting standards and carrying out robust regulation focusing on driving improvement in social landlords, including local authorities, and ensuring that housing associations are well-governed, financially viable and offer value for money. Following an expansion of its powers, from 1 April 2024, it has begun carrying out regulatory inspections of social landlords.

To address this information vacuum in London the Tenancy Fraud Forum, London Boroughs Fraud Investigators Group and G15 (representing the largest housing associations in London) with funding from the CFPAB commissioned an innovative voluntary survey of tenancy fraud detection by both London boroughs and housing associations, also known as Private Registered Providers. The survey also captured the views of London's tenancy fraud experts, the specialist fraud investigators who deal daily with such fraud.

The findings and recommendations identify what needs to be done and by whom, with lessons for social housing providers across the country.

1.3 Methodology

The data collection survey was in September 2024 to all London boroughs, all larger housing associations in London and a sample of 10% of "small" housing associations with homes in London³. This requested quantitative data on tenancy fraud detection results for the financial year ending 31st March 2024. Social housing providers were also asked to express their views on a series of qualitative questions impacting on London tenancy fraud. 87% of all boroughs with housing stock and 2% of all London housing associations participated; two London boroughs with no housing stock, but who assist local housing association investigations, also provided feedback. Although not included in the final analysis, we note those two boroughs detected 10 tenancy frauds for their social housing partners.

All participants were required to comply with the definition of tenancy fraud first developed by the Audit Commission for the series of Protecting the Public Purse (PPP) reports, running from 2009 to 2014, and later adopted by the TFF. This allows direct comparison of borough results with their performance in 2013/14, the last year PPP was published and the high watermark of tenancy fraud detection in the country. The one exception made to this definition was to allow organisations that did not include "abandonment without proper process" to still submit data. All organisations had to confirm they had complied with the tenancy fraud definition and had approval of their organisation to submit data.

Both quantitative and qualitative data from the survey was drawn upon and combined with published analysis of quantitative data from previous PPP reports, to calculate the minimum level of tenancy frauds linked to online short-term holiday letting platforms.

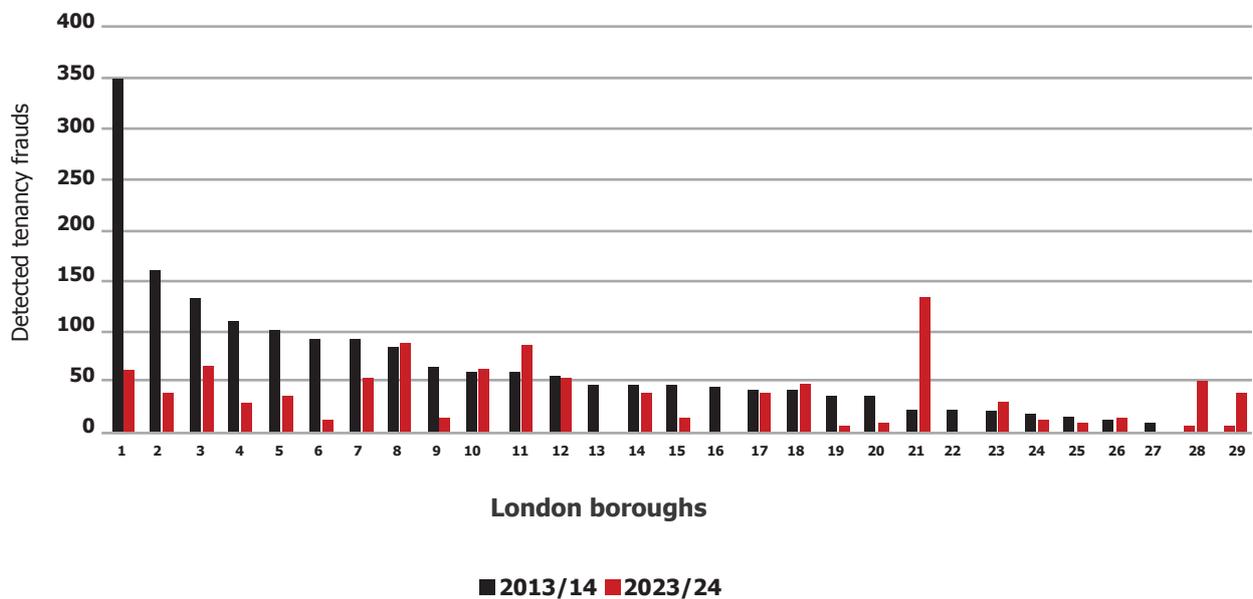
³ More than 300 housing associations operate in London, a quarter are "large" (over 1,000 homes). Every "large", and a sample of 10% of "small", housing associations was invited to participate. Over 100 in total. Only five "large" and one "small" association took part representing less than 2% of individual housing associations in London, although a far greater proportion of homes. 2023/24, compared to four boroughs in 2013/14. All but one London borough provided tenancy fraud awareness training for their housing staff.

2. SURVEY FINDINGS: LONDON BOROUGHS and TENANCY FRAUD DETECTIONS

London boroughs that participated in the survey reported that they detected 1,028 tenancy frauds in 2023/24, a fall of 43% from 2013/14 (See Table 1). Every borough participating in the 2023/24 survey recovered properties from tenancy fraudsters, an average of 41 homes per borough. Nearly two thirds of boroughs detected fewer tenancy frauds than ten years ago. The top performing borough in 2013/14 detected 80% fewer tenancy frauds ten years later; one borough managed a six-fold increase in tenancy fraud detections between 2013/14 and 2023/24; only one borough detected over 100 tenancy frauds in 2023/24, compared to four boroughs in 2013/14. All but one London borough provided tenancy fraud awareness training for their housing staff.

In terms of the data, the results would suggest a hollowing out of English local authority investigative capacity since 2013/14, driven by funding restrictions and central government policy which impacted negatively on boroughs investigative capacity (which in turn may have diminished boroughs’ engagement with tenancy fraud – for example, four boroughs submitted results to the 2013/14 mandatory survey but chose not to participate in 2023/24, accounting for approximately a sixth of the total fall in detections over the last 10 years. Similarly “abandonment without proper process” was sub-category of tenancy fraud included in the 2013/14 survey but in the 2023/24 survey 40% of participating boroughs did not include tenancy fraud detections arising from abandonment (although whether this sub-category is now not used or whether there were no cases under this sub-category was not determined).

Table 1: London boroughs tenancy fraud detections 2013/14 & 2023/24



Indeed, the leading borough in 2013/14 explained the significant reduction in their total detections by 2023/24 to be primarily a combination of reduced investigative resources at the council and a shift in management focus towards non-tenancy fraud priorities. On the other hand, the leading borough in the 2023/24 survey attributed their significant improvement in detections to a combination of greater corporate and investigative priority given to tackling tenancy fraud, better partnership working and communication across council departments leading to more referrals, tenancy drives across all housing estates and data led initiatives.

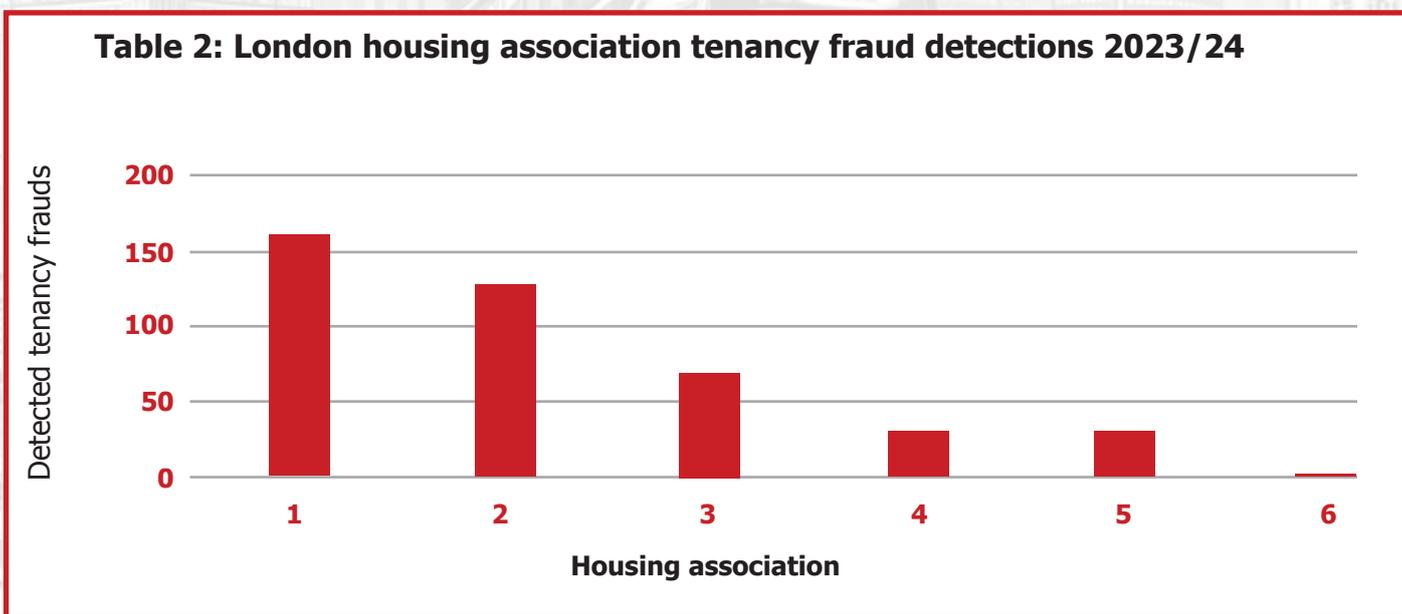
3. SURVEY FINDINGS: LONDON HOUSING ASSOCIATIONS and TENANCY FRAUD DETECTIONS

Despite the low response levels, respondents reported 415 tenancy frauds detected in 2023/24 by participating housing associations; see Table 2. Every participating London housing association recovered homes from tenancy fraudsters. Unsurprisingly the “small” participating association detected the fewest such frauds. “Large” housing associations detected on average 69 tenancy frauds each, higher than the borough average. One “large” association detected over 160 tenancy frauds, the most for any social housing provider. Only the participating “small” housing association did not provide tenancy fraud awareness training for staff.

The results suggest more work needs to be done on accessing detection data by the vast majority of London housing associations. Private and public sector organisations are sometimes reluctant to open themselves to public scrutiny in relation to fraud, often for reputational reasons. London’s housing associations are no different. Alternatively, there is some anecdotal evidence to suggest that many housing associations want to do more to tackle tenancy fraud but do not currently collect data that meets our inclusion criteria. An issue of data quality and comparability that should only the regulator can effectively address.

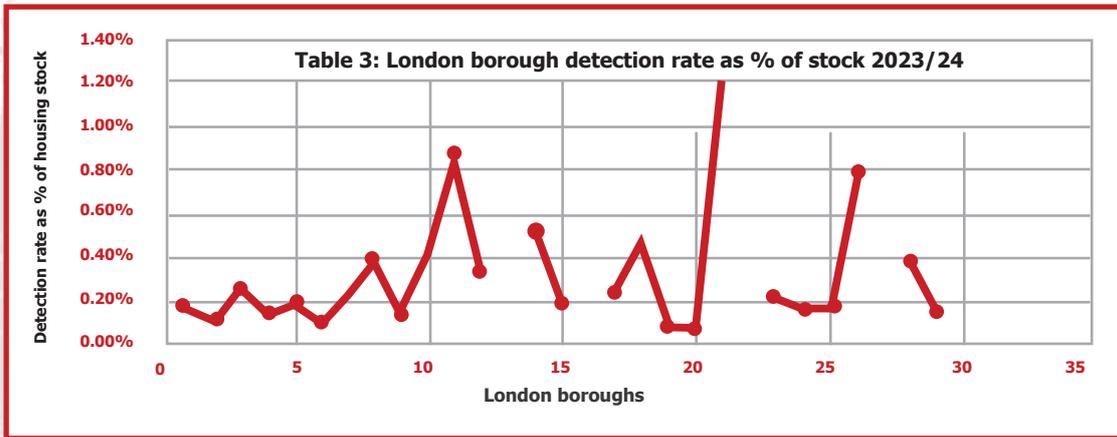
On the other hand, the “large” housing associations that did participate in the survey have a reputation for resourcing and prioritising tenancy fraud detection. This is reflected in their results. The implementation of good practice is clearly helping drive strong detection performance. Nevertheless, half of participating associations do not consider “abandonment without proper process” to be tenancy fraud.

Table 2: London housing association tenancy fraud detections 2023/24



4. BENCHMARKING TENANCY FRAUD

For London boroughs the average detection rate in 2023/24 is 0.23% of housing stock, down from 0.43% ten years ago; see Table 3. There is also significant variability between neighbouring London borough’s detection rates, suggesting further room for improvement. However, all but three London boroughs achieved a higher detection level this year as a proportion of housing stock than all non-London regions managed in 2013/14 (high watermark of tenancy fraud detection across England).



For those housing associations where the total number of homes in London is relatively low, just a few detections can skew the benchmark result, as has happened in 2023/24; see Table 4. However, the average detection rate for the three associations with the most housing stock was 0.21%, in line with the borough average.



5. LONDON TENANCY FRAUD DETECTION SAVINGS

The national average saving to the English public purse is £42,000 per home recovered from a fraudster over the average length of a tenancy fraud (as at March 2020). Using the same methodology just for London (costs updated as at October 2024) that saving is now at least £66,000 per home.

6. INVESTIGATING TENANCY FRAUD: IMPACT AND APPROACHES

6.1 Impact

Much of the response focus draws on the use of specialist fraud investigators. They continue to be a cost-effective means of freeing up social housing for those in need, both faster and cheaper than building new homes. For example, some boroughs now cost the building of just one unit of social housing in London to be in excess of £500,000. An equivalent amount of funding for specialist investigators would typically result in the detection of nearly 100 tenancy frauds.

The survey found that London’s specialist fraud investigators, boroughs and associations combined, detect on average 12 tenancy frauds per year. This equates to a saving over the average length of a tenancy fraud of more than £790,000 per investigator to the London public purse. The three London boroughs with the most total detections averaged 22 homes recovered annually from fraudster per investigator. A saving of over £1.4million per investigator. The three housing associations with the most housing stock averaged 21 homes recovered annually per investigator (a saving of nearly £1.4 million per investigator); See case study 1 for an example.

Case study 1. Impact of specialist investigators – the experience of one London housing association

In 2012 one London housing association piloted establishment of a dedicated team of two fraud investigators to tackle tenancy fraud. They went on to recover 202 properties from tenancy fraudsters over a four year period. However, due to financial constraints, the service was discontinued in 2017. Only 11 homes were recovered from tenancy fraudsters in the five years that followed. As waiting lists for social housing grew the association recommitted to the vital role landlords play in ensuring homes go to those in genuine need. The investigation service was relaunched in January 2022, with the team expanded to four investigators and one manager. All team members are qualified counter fraud specialists, bringing extensive experience in housing, fraud, and the law surrounding investigations and related offences. The impact has been remarkable. 143 homes recovered from tenancy fraudsters in the last financial year alone and several Unlawful Profit Orders totalling £187,442.18 obtained.

6.2 Approaches

Specialist fraud investigators can also contribute their investigative skills to more than just detecting tenancy fraud. The survey noted that there is added-value in applying investigative skills to all housing applications. For example, one London borough's counter fraud team previously investigated succession and assignment applications only when a housing officer raised suspicions of fraud in the housing application. This typically resulted in 15 applications per year being refused. However, there were marked variations in the number of referrals by individual housing officers suggesting inconsistency in approach and potential for more frauds to be identified.

The borough trialled a scheme whereby all succession or assignment applications were investigated by the counter fraud team, not just those referred by housing officers. This resulted in 35 applications on average being stopped annually due to fraud, more than double previously achieved. An unintended benefit arising from this approach is an additional 20 assignments in the last 3 years where the applicant's allocated home was downsized, due to a subsequent reassessment of need. This frees up larger homes for families and did not happen under the old approach.

Another aspect of developing new or amended approaches is to apply lessons from investigations to prevention. For example in relation to succession applications - where the next generation of a family, such as the son or daughter of a tenant who themselves live at the property, applies to the social housing provider to take over the tenancy when their relation has died. At one borough the approach meant that such applications were not routinely checked by specialist fraud investigators. In 2021 the borough noted an alarming increase in succession applications, raising concerns of heightened fraudulent activity. The counter fraud team responded by introducing a verification process for all such future applications. This included a new application form requiring a signed declaration (previously applications were accepted verbally or in writing through emails, letters or texts). Applications were now checked by an analyst, verified to supporting documentation and an unannounced visit undertaken to confirm residency. 16% of applications were refused on the grounds of fraud in the first year of this initiative rising to a remarkable 56% just three years later.

7. INVESTIGATING TENANCY FRAUD: MANAGEMENT AND OTHER BARRIERS TO ACTION

In theory all social housing providers should be able to detect broadly the same level of tenancy frauds every year, proportionate to their housing stock. More housing stock would normally equate to more total tenancy fraud being committed which in turn leads to more detection opportunities. However, the survey has noted issues concerning organisational commitment and investigative capacity.

As this report has identified, there is a compelling 'invest to save' argument for boroughs to employ more specialist investigators – far cheaper and quicker to recover dozens of social homes from tenancy fraudsters and allocate to families in temporary accommodation than to build just one new home. The position for housing associations is more nuanced.

7.1 The Financial Dilemma for Housing Associations

By October 2024 London's combined temporary accommodation costs jumped to an unsustainable £4 million per day. All such costs fall on the boroughs, not on housing associations. Thus there is no direct financial incentive for housing associations to tackle tenancy fraud as long as the rent is paid, something many fraudsters do to avoid scrutiny. The cost to the public purse of tenancy fraud in London now nears £1 billion per annum. There is of course a strong argument that housing associations have both a moral duty and governance responsibility to fight tenancy fraud, freeing up homes for those in genuine need and entitlement. Sadly, the moral argument is far from universally accepted.

7.2 Regulator of Social Housing (RSH)

The RSH is well placed to provide leadership in the fight against tenancy fraud, both in London and nationally. There is a wealth of knowledge and experience among TFF, LBFIG and G15 members which the regulator can draw upon. Our research noted some quick wins. For example the regulator does not currently provide a definition of tenancy fraud for housing associations to follow. We have already noted the detrimental impact this has had on inclusion of "abandonment" tenancy frauds on detection results, despite previous Fraud Act convictions for that specific sub-category of tenancy fraud. Our survey found three quarters of London housing associations who expressed an opinion, viewed the regulator as "generally uninterested in tenancy fraud". While our national research suggests that greater regulatory interest would encourage housing associations to do more to tackle tenancy fraud. A perceived absence of regulatory interest may also be detrimentally impacting on housing association participation in the London Fraud Hub, a low-cost data matching service which helps identify tenancy frauds. Over 80% of London boroughs are members of the hub, currently no housing associations participate.

A number of housing associations have still sought to learn directly from the better performers in London. However, without greater London-wide priority and co-ordination given to the issue, such interest will have only limited impact. Many housing associations still have much to do to adopt good practice. For example, our research found more than 90% of all "large" London housing association websites do not clearly highlight tenancy fraud as a concern that should be reported by the public nor is there an easily identifiable reporting route on those websites. Public reporting of tenancy fraud concerns plays an important role in tackling such fraud; see Case study 2.

Case study 2. Public Reporting

In late 2024 a London borough successfully prosecuted a tenancy fraudster for tenancy fraud. The fraudster had sublet their London council home for ten years while living in the East Midlands. The court awarded the borough an unlawful profit order of £40,000 and £14,999 in legal costs. The property is to be assigned to a local family in genuine need. The fraud was brought to the borough's attention by a tip off from a local resident.

7.3 Online short term or holiday letting-letting platforms

The survey found that every social housing provider in London, housing association or borough, who expressed an opinion believed that online short term or holiday letting platforms had either “marginally or significantly increased the amount of tenancy fraud committed in London in the last 5 years⁴”; see Case study 3. This runs contrary to repeated claims by some of the bigger online platforms such as Air Bnb and Booking.com.

Case study 3. Online Short-term Lets

A tenant has been ordered to pay back more than £23,000 after sub-letting her social housing property for over 5 years while living abroad. The property was advertised on Spareroom.co.uk with the sub-letters paying £1,200 per month. The fraud was identified when one of the sub-letters contacted the borough to report a lack of heating in the property.

The research found that more than 1,000 London social homes are advertised each year through online short-term holiday letting platforms. This is the unintended, but preventable, promotion of a crime. It costs London boroughs at least £20 million in additional temporary accommodation costs each year, more than £66 million over the average length of a tenancy fraud, not a large sum to a multi-billion pound industry but critical to many London boroughs on the edge of bankruptcy.

Londoners have every right to expect that socially responsible online short-term holiday letting platforms would want to aid housing providers by freeing up more than 1,000 social homes subject to such fraud and advertised on their websites. The inadvertent promotion of fraud by some short-term online holiday letting platforms cannot be allowed to continue.

Many of the online short-term letting platforms state publicly that they take action to help prevent and detect such fraud. The survey asked fraud investigators who deal with such online platforms on an almost daily basis, what they think. The results suggest some online letting platforms are turning an almost wilful blind eye to what is happening; see Table 5.

Table 5. A Difference of Perception?

What the online letting platforms say	What London boroughs and housing associations say (who expressed a view)
There is a clear process in place for social housing providers to alert online short-term letting platforms when they suspect social housing is being advertised for rent on their platform	<ul style="list-style-type: none"> • 21% of boroughs disagree with this statement, 79% disagree strongly. • 100% of housing associations disagree strongly
Online short-term letting platforms quickly remove suspected social housing properties from their platforms when alerted by the social housing provider	<ul style="list-style-type: none"> • 6% of London boroughs agreed with this statement, 19% neither agreed nor disagreed, 25% disagreed and 50% disagreed strongly • 100% of housing associations disagreed strongly
Online short-term letting platforms provide an effective gateway to sharing information and data to support investigations by social housing providers into suspected tenancy frauds advertised on their platforms	<ul style="list-style-type: none"> • 6% of London boroughs agreed strongly with this statement, 20% disagreed and 74% disagreed strongly • 100% of housing associations disagreed strongly

⁴ The survey question included, but was not limited to, examples such as Air BnB, Booking.com and Vrbo. A full list of survey questions can be obtained through the Tenancy Fraud Forum website.

8. LESSONS AND RECOMMENDATIONS

8.1 LESSONS

Total tenancy fraud detection by London boroughs has fallen 40% in the last ten years, two thirds of this fall is the result of a combination of central government policy, reduced funding and changing priorities. Approximately a third of the fall is due to variability in the tenancy fraud definitions used by a minority of boroughs and the reluctance of some to participate. However, the overall trend is one of fewer detections than ten years ago. Some boroughs have been able to buck this trend, but they are in the minority.

Housing associations that have made a clear commitment to fight tenancy fraud and invested resources succeed, matching or even exceeding the detection performance of many boroughs. There is a growing appetite among some housing associations to play a more active role. However, financial and regulatory support is key to turning this interest into direct action by all London housing associations.

The RSH is well placed to provide greater leadership in the fight against tenancy fraud and should draw upon the knowledge and experience of the TFF, LBFIG and G15 membership to achieve this goal.

The low response rate by housing associations to the survey is disappointing and arguably one manifestation of the current lack of a joined up and co-ordinated approach to tackling tenancy fraud. The reluctance of so many housing associations to participate is driven by several factors. Firstly, a potential reluctance to have detection performance made public and subject to scrutiny, not uncommon in relation to fraud but disappointing given the semi-public nature of housing associations. Secondly, is the inability to provide information that meets our quality requirements for inclusion. The RSH is well placed to help address both. We also recognise that some housing associations are currently subject to organisational change and merger and thus not structurally well placed or resourced to respond to the survey requirements.

There are compelling moral and financial arguments to fight tenancy fraud. Re-allocating properties recovered from tenancy fraudsters to homeless families in temporary accommodation is both faster and more cost effective than building new homes. However strong that argument may be, it is unlikely to result in significant pan-London action to tackle tenancy fraud without national, regional and local political and public support.

Greater transparency and accountability can help drive forward detection levels for housing associations, as occurred between 2010 and 2014 for the boroughs. Annually published comparable, quality assured data following a standard definition of tenancy fraud for all "large" London housing associations is the first step. Including comparable results from all London boroughs would provide a level of transparency and accountability that Londoners deserve. Leadership on this issue by the regulator would be welcomed.

Using specialist fraud investigators works. Central government hollowed out investigative capacity across London's boroughs over the last ten years, that needs to be addressed. Increasing counter fraud capabilities across all London's housing associations will require both funding and regulatory support on a scale currently lacking. At the same time, enhanced levels of tenancy fraud awareness for housing officers is a common theme among social housing providers detecting the most tenancy frauds.

Online short-term holiday letting platforms also have a part to play. They could start by freeing up more than 1,000 homes for Londoners, currently advertised on their sites by fraudsters, by putting in place basic due diligence checks and through voluntarily information sharing with social housing providers. Public assurances of support by some of these online platforms appears hollow at best. Putting people before profit is the right thing to do for any socially responsible company. Some already do so, others should not be allowed to hide behind empty rhetoric.

8.2 Operational and Organisational Recommendations

The survey asked participants to identify what would make the biggest improvements in tenancy fraud detection in London. These include:

- Central government funding to tackle tenancy fraud;
- More regulatory support for housing associations;
- Social housing providers prioritising fighting tenancy fraud;
- Enhanced partnership working between London's boroughs and housing associations.

Of these, partnership working is key. Housing associations often operate across many borough boundaries, diluting their anti-fraud capabilities over a large geographic area. A typical London borough will have dozens of housing associations with homes inside their boundary, many of them "small" and thus often lacking in counter fraud capabilities. Such geographically disparate arrangements make a London-wide approach to consistently tackling tenancy fraud difficult, but achievable; see Case study 4.

Case study 4. Joint – and Joined-up - Working

A tenant fraudulently sublet her London housing association property for eight years while actually living in a north London house inherited from her father. She charged £1,000 per month to a family of 4 for the fraudulent sub-let, while claiming housing and council tax benefit on the property to which she was not entitled. A tip off resulted in a joint investigation by the DWP, housing association and borough fraud investigators. A series of other potential benefit fraud offences were also identified. A court judgement was subsequently made for £14,774 in rent arrears, £75,000 unlawful profit order and court costs of £6,213. The housing association recovered the property from the fraudster and intend to use the funds from the court judgement to refurbish kitchens and bathrooms in other homes. The borough is seeking to recover a further £69,637 in overpaid benefits.

In more detail the survey suggests the following recommendations:

- Adopt £66,000 per recovered London home from a tenancy fraudster when assessing the cost benefit value of using specialist fraud investigators
- All London social housing providers making a clear public commitment to tackle tenancy fraud
- Housing association participation in the London Hub data matching service
- The Regulator of Social Housing to provide leadership in the fight against tenancy fraud
- The RSH to provide a common definition of tenancy fraud for all social housing providers to adopt
- The RSH should annually collect and publish information on tenancy fraud detection by both local authorities and housing associations
- The RSH should focus improvement activities on those large housing associations detecting little or no tenancy fraud
- All social housing providers to ensure public suspicions of tenancy fraud are easily reported on their websites
- Housing associations should include tenancy fraud on their risk register
- Provide tenancy fraud awareness training for Housing Management and those staff best placed to identify tenancy fraud.

Few if any of these lessons and recommendations are London-centric. They provide obvious questions that all social housing providers should be considering – and many do – and evidenced recommendations that are equally applicable.

Published March 2025

Copyright: London Borough Fraud Investigators Group, G15, Counter Fraud Professional Awards Board and Tenancy Fraud Forum 2025.

All rights reserved. If you want to reproduce or distribute any of the material in this publication you should first get the Tenancy Fraud Forum, London Borough Fraud Investigators Group, Counter Fraud Professional Awards Board and G15's permission in writing.

