

Corporate Anti-Fraud Team (CAFT) Annual Report 2018/19

The purpose of this annual report is to provide a summary on the outcome of all CAFT work undertaken during 2018-19 including CAFT progress and outcomes set against the objectives as set out in our annual strategy and work plan.

All CAFT work is conducted within the appropriate legislation and through the powers and responsibilities as set out within the financial regulations section of the Council's constitution. CAFT supports the Chief Finance Officer (and Section 151) Officer in fulfilling their statutory obligation under section 151 of the Local Government Act 1972 to ensure the protection of public funds and to have an effective system of prevention and detection of fraud and corruption. It supports the Council's commitment to a zero-tolerance approach to fraud, corruption, bribery and other irregularity including any Money Laundering activity.

2018-19 saw CAFT officers investigate and prosecute an unprecedented internal financial fraud. In Response to his officer resource was diverted from all sections within the team to deal with the investigation.

The case was given the name Operation Rouble which subsequently proved to be the most challenging, complex and substantial fraud that Barnet has experienced.

- The fraud related to two offences of 'abuse of position' which were committed by a Capital Investment Manager, employed by Capita and working for Regional Enterprise. The offender created instructions for CHAPS payments in excess of £2 million to be processed in relation to fictitious compulsory purchase orders
- The CAFT were notified in December 2017 and utilised their financial investigators powers to obtain tangible evidence which resulted in the offender being arrested and suspended within 24 hours of the investigation being initiated.
- The criminal aspect of the investigation was evidenced and prepared for prosecution within five months which subsequently led to the successful conclusion of the case in July 2018 which saw the offender being sentenced at Harrow Crown Court to 5 years imprisonment.
- CAFT has carried on the financial investigation and continues to do so in order to ensure all proceeds of crime are identified and recovered accordingly
- CAFT has also worked closely with Internal Audit and Finance in relation to recommendation from the external review of financial controls and the ongoing audit testing relating to financial controls.
- CAFT jointly conducting a payments data analytics exercise with Internal Audit in order to identify irregularities and/or make recommendations for improvement.

Further details of the investigation can be found in the noteworthy investigation section, and full details of the external review into financial control conducted by Grant Thornton is available on the council's website [Financial controls - barnet.gov.uk](https://www.barnet.gov.uk/financial-controls)

This investigation received wide publicity with praise being given by Specialist Police Units, Senior Management and Members of the council to the CAFT in relation to the response and subsequent criminal and financial investigation conducted by the team

This year saw continued partnership working between CAFT and RE's Planning Enforcement Officers as well as other Local Authorities. Cases where enforcement notices had been breached were then referred to CAFT to carry out financial investigations into the criminal benefits obtained because of those breaches.

The Tenancy Fraud team has also continued to be successful this year, it has investigated **558** cases of alleged Tenancy Fraud in 2018-19. They were responsible for recovering **53** properties, it also prevented **41** Right to Buy applications due to the applicants not being eligible to purchase under the scheme as well as denying **3** new housing applications by persons who were not eligible to be housed.

Additionally, the Concessionary Travel Fraud Team investigated **412** cases of alleged Blue Badge misuse and Fraud. Of these, **69** cases were successfully prosecuted at Magistrates court with a further **109** cases resulting in a Formal Caution being administered by CAFT (after the offence was admitted during a formal interview under caution). These cases have resulted in more than **£40,000** worth of costs being recovered. A further **83** cases also concluded in Warning letters being sent to the Badge Holders and offenders.

Finally, the Corporate Fraud Team investigated **123** cases of alleged fraud. These resulted in **3** members of staff being dismissed (**1** relating to a member of Your Choice Barnet who removed funds from a deceased service users account which resulted in his arrest and **2** relating to theft by employees working in Refuse). The Corporate Team also successfully prosecuted the family member of a deceased Direct Payments claimant who removed payments from the deceased person's account.

In summary, we are confident that CAFT continue to provide an efficient value for money counter fraud service and has demonstrated that it is able to successfully investigate all types and levels of fraud referrals to an appropriate outcome.

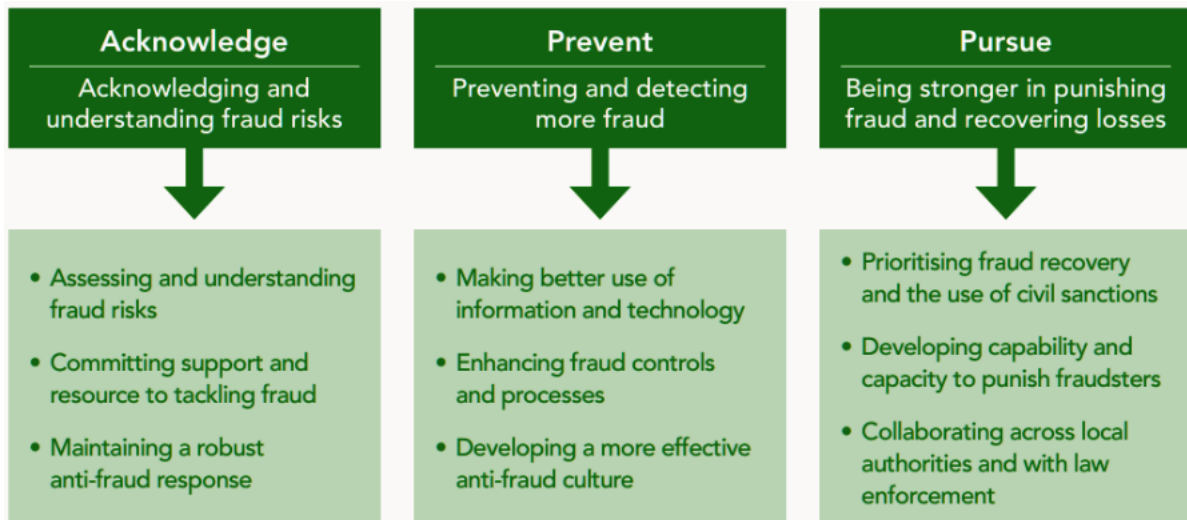
In addition to the specialist Financial investigative role, CAFT continue to provide advice and support to every aspect of the organisation including its partners and contractors. This advice varies between fraud risk, fraud prevention and detection, money laundering and other criminal activity as well as misconduct and misuse of public funds. Some of the matters may progress to criminal investigation, but in all cases appropriate action, such as disciplinary or recovery action, is taken. This element along with the 'preventative – deterrent' nature of the CAFT work is hard to quantify but where possible we have done so in the performance indicators section of this report.

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1. Anti-Fraud Strategy

Our annual anti-fraud strategy was aligned with the strategic approach as outlined in 'Fighting Fraud Locally' (FFL) – the Local Government Fraud Strategy 2016 -2019. This provided a blueprint for a tougher response to tackle public sector fraud. In 2018-19 we also continued to incorporate the six themes as detailed within the 2016 FFL (**Culture, Capability, Capacity, Competence, Communication** and **Collaboration**) in our work. Our strategy is to incorporate a response to these themes, the consideration of local fraud risks facing the Council, horizon scanning on emerging national fraud risks and embedding relevant good practice guidance.



As the council's dedicated fraud team, CAFT consists of qualified counter fraud specialists that operate under a framework of relevant policies and internal working procedures.

Each year we consider and review national fraud risks and emerging fraud trends against local intelligence fraud risks to assist in developing our risk based annual work plan (part of which is joint with internal audit). During the last year we have continued to strengthen our collaborative working with Internal Audit and key partners by utilising our intelligence, data analytics and data matching results to help direct anti-fraud reviews. We continue to work with services and key partners in helping ensure that anti-fraud arrangements are fit for purpose on all aspects of fraud risk.

Each year the Council makes a commitment to tackling fraud and deliver a robust anti-fraud response through the existence and work of the CAFT, supported by our annual risk based work plan (and joint plan with Internal Audit). This plan is approved each year by senior management and the Audit Committee. Progress on and changes to the plan are reviewed constantly and reported quarterly to senior management and the Audit Committee.

Preventing (and deterring) Fraud

We recognise that employees are often the first line of defence in preventing fraud. The Financial Regulations within the Council's Constitution places the responsibility for fraud prevention on all employees.

We have many open and easily accessible channels for reporting fraud, as well as a confidential reporting 'Whistle blowing' policy in place to assist employees in reporting concerns about fraud and other issues without fear of harassment or victimisation. There is CAFT dedicated E-learning training within the corporate 'induction' programme for all new starters.

CAFT routinely use data matching techniques to identify possible fraudulent activity as well as centrally co-ordinating and investigating referrals relating to the National Fraud Initiative (NFI) data matching exercises to

ensure that it is given high priority within Services. During the last year we have also introduced the use of data analytics as part of our pro-active exercises to have a more targeted risk based approach.

CAFT continue to work closely with Services and Management in high fraud risk areas to ensure that working procedures and practices include robust fraud preventative measures. CAFT also conduct targeted proactive anti-fraud activity throughout the year, joint reviews with internal Audit as well as re-active investigation work. Outcomes from reviews and investigations where appropriate are reported to management to support their on-going work and to assist in either confirming effective anti-fraud controls and or suggested areas for improvement.

We continue to have effective liaison and working relationships with our Human Resources (HR) team and where criminal activity is suspected or found, CAFT will deal with the criminal matter and disciplinary process in parallel to avoid duplication.

Pursuing Fraud (and seeking redress)

During the last year CAFT have continued to review internal investigation processes and procedures to ensure that they are effective, efficient and compatible with all governing legislation. There are internal CAFT management processes that ensure all investigations are carried out in a consistent, compliant and timely manner. This also ensures that we take appropriate action/sanctions against anyone who commits fraud, whether they are members of staff or members of the public.

To this end we have an established financial investigation function within CAFT. The purpose of this function is to liaise closely with other internal departments and external partners (including the Police) that prosecute offenders, in order to raise awareness around the Proceeds of Crime Act (POCA) and ensure that, where possible, financial investigations are considered and undertaken by CAFT so that we can assist in the recovery of losses to the public purse and obtain where possible compensation and/or confiscation under the POCA. We also ensure that we utilise civil recovery procedures in relation to Tenancy Fraud and work collaboratively with other Local Authorities (LAs) and law enforcement agencies to ensure the best use of resources and a holistic approach to counter fraud at all times.

In 2018-19 we also continued to consider and incorporate the six themes as detailed within the 2016 FFL (**Culture, Capability, Capacity, Competence, Communication and Collaboration**)

<p>Culture – creating a culture in which beating fraud and corruption is part of daily business</p>	<p>Operation Rouble highlighted areas where there are weaknesses in our anti-fraud culture. In response, CAFT have delivered an internal anti-fraud awareness campaign as well as a review of policies. Senior Management and Member support for the work of the team has meant that we have also been able to introduce a new Fraud Awareness E-learning package which will be rolled out across the whole organisation in 19-20 to help strengthen our anti-fraud culture.</p>
<p>Capability – ensuring that the range of counter fraud measures deployed is appropriate to the range of fraud risks</p>	<p>The Corporate Anti-Fraud Team is split into separate areas:</p> <ul style="list-style-type: none"> ➤ Tenancy Fraud which investigates all matters relating to social housing applications, tenancies and right to buy schemes. ➤ Concessionary Travel Fraud which primarily deals with Blue badge fraud but also investigates Freedom Passes and resident Parking Permit Fraud ➤ Corporate Fraud which deals with internal and external attacks on the public purse.

	<ul style="list-style-type: none"> ➤ Financial Investigation – in accordance with Proceeds of Crime Act ➤ Intelligence Officer – supports the work of all areas of the CAFT <p>This structure has been proven to work well as it is a flexible structure and we are able to deploy resources where they are most needed very quickly.</p>
<p>Capacity – deploying the right level of resources to deal with the level of fraud risk</p>	<p>The CAFT team sits within the Assurance Group of the Council. The Director of Assurance is the council’s senior anti-fraud champion and part of the councils Senior Management team.</p> <p>Operationally, the CAFT is led by the Head of Counter Fraud Operations as set out in the structure above.</p>
<p>Competence – having the right skills and standards</p>	<p>All 12 officers in CAFT are qualified Counter Fraud Specialists; 3 of these officers are also fully qualified specialist Financial Investigators accredited by the National Crime Agency (NCA). The Head of Counter Fraud Operations and Director of Assurance are also qualified in Counter Fraud Management as well as Financial Investigation and are accredited by the NCA as the Senior Responsible Officers in relation to financial investigations. The Financial Investigation specialists were instrumental in Operation Rouble.</p>
<p>Communication – raising awareness, deterring fraudsters, sharing information, celebrating successes</p>	<p>We continue to recognise that our communications play a key role in ensuring that our staff and residents understand and recognise fraud risks, understand the role of CAFT, the different types of fraud and channels through which they can report any concerns or incidents of fraud. To support this, CAFT continue to focus on this area to proactively promote outcomes, fraud exercises and prosecutions that take place.</p>
<p>Collaboration – working together across internal and external boundaries: with colleagues, with other local authorities and with other agencies; sharing resources, skills and learning, good practice, innovation, and information.</p>	<p>Operation Rouble is an excellent example of working in collaboration where CAFT Officers worked closely with colleagues from Internal Audit, Finance, Re, CAPITA, HB Public Law and both local and specialist police officers.</p>

2. Pro-active fraud plan

Table 1 provides an update against all CAFT pro-active activity as set out within the 2018/19 plan

CAFT Pro-active review	Outcome
<p>Corporate Fraud Adult Social Care direct payments A proactive exercise was carried out whereby data relating to direct payments was cross matched against DWP deceased records to identify any overpayments resulting from a failure to notify the council.</p>	<p>During the process of uploading data to the NFI it was identified that the timings of the uploads meant that direct payments which had started after the last NFI run but had stopped prior to the current NFI run were not being scrutinised or matched. This data related mainly to persons who had begun receiving direct payments after October 2016 but had passed away prior to October 2018. The purpose of this exercise was to identify payments that may have been made to recipients after they had passed away.</p> <p>The exercise used 589 cases where direct payments had terminated within the last two years. The results established in 59 cases where the direct payment was stopped as a result of the death of the recipient.</p> <p>In 55 of the cases the direct payment had been stopped on the relevant date in relation to the date of death.</p> <p>4 Cases underwent further investigation and were closed once the correct direct payment amount had been confirmed.</p> <p>This exercise gave an assurance that proper processes were being applied to a data set that is not captured by the NFI program</p>
<p>National Fraud Initiative data matching exercises The National Fraud Initiative (NFI) is an exercise that matches electronic data within and between public and private sector bodies to prevent and detect fraud and error.</p>	<p>Barnet has a statutory duty as do all local authorities to take part in this national exercise and as a result in October and December 2018 Barnet submitted a number of data sets to the Cabinet Office for matching against other public-sector data sets. At the end of January 2019 this matching process returned 129 separate reports containing a total of 9518 matches to Barnet. Of the 129 reports, 77 were deemed to contain High level matches requiring the council to investigate and report the outcome. This work is still in progress. The Cabinet Office allows 18 months for the exercise to be completed with results being compiled and reported every 6 months.</p>
<p>Disabled Blue Badge (BB) Street Operations Disabled Blue Badges must only be used by the named badge holder, or by a person who has dropped off or is collecting the badge holder from the place where the vehicle is parked. It is a criminal offence for anyone else to use a Blue Badge in any other circumstances.</p>	<p>During the year CAFT have conducted <u>9</u> intelligence-led proactive 'street' exercises across the borough – these are accompanied by NSL Parking Enforcement Officers and Barnet Police. All the results of these operations are included within the statistical information in section 3 of the report.</p> <p>The first Operation was carried out on <u>4th April 2018</u> in the Finchley area. Over 100 blue badges during the operation were checked and 8 cases of blue badge misuse / fraud were identified and 4 blue badges were seized. Of the 8 cases identified subsequent investigation have confirmed 7 of these were being misused and 1 was reported stolen.</p>

The second Operation was carried out on the 20th June 2018 covering the Golders Green and Temple Fortune areas. Over 91 blue badges were checked during this operation and **11** cases of misuse / fraud were identified and **6** blue badges were seized. Subsequent investigations have confirmed that of all the **11** cases identified were confirmed to be misused.

The third and fourth Operations were carried out on 22nd August 2018 and 17h September 2018 in Burnt Oak and High Barnet as part of '2 Days of Action' arranged by the Police. These two days resulted in **68** blue badges being checked and **5** cases of blue badge misuse being identified with **2** blue badges being seized.

The fifth Operation was carried out on 29th October 2018 in the Hendon area. During this operation **11** badges were identified as being misused, of these **4** badges were cancelled and **3** badges were seized.

The results of all these cases are reported in Section 3 below

In addition to the above exercises, there were three further Blue Badge Operations (6,7 and 8) during Fraud Awareness Week in November 2018

The week saw the Corporate-Anti Fraud Team come together with colleagues from other council enforcement teams including Trading Standards, Street Enforcement, Environmental Health and the Police.

The purpose of the week-long operation was to have a high visibility presence in the areas of Hendon, Edgware and High Barnet and to carry out anti-fraud exercises such as Blue Badge Fraud and Tenancy Fraud as well as to tackle some of the anti-social behaviour issues in the area, such as littering, fly-tipping and unauthorised street trading.

Operations six, seven and eight took place during this week gave the following results: Number of Blue Badges verified throughout the week-long operation	277	
Number of Fraud / misuse cases identified	16	Results reported in section 3 below
Number of badges seized	5	re Fraud i.e. stolen/ forged
Number of badges remaining at the scene	11	11 re misuse
No. of PCN's issued relating to BB fraud /misuse	11	Where evidence of misuse/ fraud is obtained PCNs are issued immediately

	<p>The ninth Operation was carried out on <u>8th March 2019</u> in the Golders Green and Temple Fortune areas. 72 blue badges were checked, 4 cases were identified as possible Fraud or Misuse and referred for further investigation including a stolen badge. 2 badges were also seized during this operation.</p> <p>Overall street based operations have resulted in 43 Blue Badges being seized. <i>(Full statistics on Blue Badge misuse/fraud are reported within section 3 of the report – Performance Indicators)</i></p>
<p>International Fraud Awareness Week 11th - 17th November 2018 This is a proactive week of action where the work of counter fraud officers is publicised and advice given to staff as well as members of the public to assist with any concerns they may have.</p>	<p>As well as carrying out Blue Badge Operations throughout the week with police, CAFT officers set up information stalls at Barnet House Housing reception, the Broadwalk shopping centre in Edgware, the Spires shopping centre in High Barnet and the quadrangle in Middlesex University at Hendon. CAFT officers were joined at these locations by colleagues from Trading Standards, Street Enforcement and Environmental Health and as well as the Insurance Department, where advice was given and promotional items, such as Post-it notes, pens, key rings and lanyards, being distributed to members of the public.</p> <p>CAFT also held “lunch and learn” sessions in the Council’s offices where fraud related paraphernalia seized from real investigations was on display with officers on hand to explain how they were used.</p> <p>Throughout the week there were also a number of communications released via First Team articles, Barnet First – e-newsletter, Computer and TV screen messages at NLBP and Barnet House and other Social Media, such as Tweets and Facebook and Press Releases, for the purpose of raising fraud awareness.</p>
<p>Tenancy Fraud pro-active exercises CAFT have a service level agreement with Barnet Homes in relation to Tenancy Fraud. As part of this agreement there is a commitment for Tenancy Fraud officers to carry out four pro-active exercises across the borough</p>	<p>There have been two pro-active exercise carried out this year.</p> <p>The first in May 2018, CAFT began a pro-active verification exercise that covered all properties owned by the registered social landlord (RSL) Metropolitan Housing within the Borough of Barnet. This meant that 205 properties were verified and visited by the tenancy fraud investigators carrying out tenancy audit checks. The exercise resulted in two properties being recovered, one being due to sub-letting (the case is currently with our legal team for criminal proceedings).</p> <p>The second in November 2018, CAFT conducted 2 pro-active ‘key fob’ exercises in New Southgate and Hendon. 146 tenants were asked to attend Barnet House to obtain their new fob keys for the entrance door to the buildings. 24 fobs were not collected but were later verified as being tenants who were unavailable on the that particular day. The exercise resulted in</p>

	2 ongoing investigations into possible tenancy fraud.
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Table 2 provides details of joint CAFT and Internal Audit Reviews and overall assurance ratings as set out within the 2018/19 plan. Further details of these reviews can be found in the relevant internal Audit quarterly progress reports.

CAFT and Audit Joint Reviews	Overall Assurance Rating	Summary of Findings	Relevant quarter issued in / Link to Internal Audit Report
<p>Depot Review – Areas being reviewed workforce management, Depot Security, Fuel Management, monitoring use of vehicles and depot support</p>	Reasonable	<p>This review resulted in</p> <p>One high risk recommendation relating to</p> <ul style="list-style-type: none"> ➤ Commercial Waste and Recycling Vehicle tracker monitoring and inspection. <p>One Medium risk recommendation relating to</p> <ul style="list-style-type: none"> ➤ Workforce Management - recruitment and sickness monitoring <p>Three Low risk recommendations relating to</p> <ul style="list-style-type: none"> ➤ Depot security – inventory management. ➤ Fuel Management ➤ Monitoring private use of motor vehicles 	<p>Q2 audit progress report</p>
<p>Freedom Passes -this is a concessionary travel scheme, to provide free travel to residents who have sole or principal residence in London and are aged 60 and over (eligibility age increasing by phases to 66 by 2020) or who have any of the statutory disabilities listed in the Transport Act 2000. At Barnet, the Assisted Travel team, based in Coventry and run by CSG on behalf of the Council, manages the issuing of Freedom Passes for residents who fulfil the eligibility criteria and are entitled to a Disabled Persons Freedom Pass (DPFP). For Disabled Persons Freedom Passes which expired on 31</p>	Reasonable	<p>This review resulted in 3 medium risks relating to</p> <ul style="list-style-type: none"> ➤ Roles and responsibilities – assessing proof of address of DPFP applicant. - Fraud awareness training ➤ Policy and procedures – Cancellation of deceased Persons Freedom Pass <p>1 low risk finding relating to</p> <ul style="list-style-type: none"> ➤ quality reviews – checking documentation. 	<p>Q3 audit progress report</p>

March 2018, the Council have been reviewing ongoing entitlement			
Highways DLO	In Progress		
CFO - RE and CSG Finance Relates to the follow up of actions identified as part of GT review	In Progress		
Banking and Payments arrangements – to identify the key controls within the areas that govern all payments made by the Council and devise an overarching programme of testing across the different systems and processes to give assurance on the effectiveness of controls. This approach provides management with ongoing assurance on the Council’s compliance with its key financial controls.	Reasonable	This review resulted in 1 High risk finding relating ➤ to Bankline – access and authorisation. 1 medium risk finding relating to ➤ Bankline - templates and bulk lists. 3 low risk findings relating to ➤ Treasury Payment Process: Supporting documentation for treasury transactions. ➤ Treasury Payment Checklist ➤ Payments policy.	Q3 Audit Progress Report
Payments Data Analytics	TBC	TBC	TBC
General Ledger- areas to be audited are: Policies and procedures -The GL is updated accurately and on a timely basis. GL functions, including period end tasks and reconciliations, are clear and allocated to officers with the relevant training. All Integra processing impacting the GL is authorised.” GL processing, closing, reconciliation and suspense account management The general ledger is accurate and complete. Journals are authorised and are correctly posted	Reasonable	This review resulted in 5 medium risk relating to ➤ Dual Authorisation of amounts above £1m ➤ Integra Scheme of Financial Delegation ➤ Mandatory Integra training ➤ Journals ➤ Control Account reconciliation And 1 low risk relating to ➤ Local/team procedures	Q4 Audit Progress report
Disabled Facilities Grants	In progress		
Public Health -Grants	In planning stage		
Depot Review – Areas being reviewed workforce management, Depot Security, Fuel Management, monitoring use of vehicles and depot support	Reasonable	This review resulted in 1 high risk relating to ➤ Commercial Waste and Recycling Vehicle tracker monitoring and inspection. 1 Medium risk relating to ➤ Workforce Management - recruitment and sickness	Q2 audit progress report

		monitoring and 3 Low risks relating to <ul style="list-style-type: none"> ➤ Depot security – inventory management. ➤ Fuel Management ➤ Monitoring private use of motor vehicles 	
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Table 3 provides an update against all performance indicators as set out within the 2018/19 plan

Performance Indicator	2018-19	Comments
Corporate Fraud Team deal with the investigation of any criminal and fraud matters (except Benefit and Tenancy related fraud) attempted or committed within or against Barnet such as internal employee frauds, frauds by service recipients and any external frauds. They work in partnership with partners, other organisations and law enforcement agencies to ensure that the public purse is adequately protected		
Number of carried forward Fraud investigations from previous year	18	
Number of new fraud investigations	105	
Total Number of cases dealt with 2018-19	123	
Total Number of closed fraud investigations	100	2 cases were closed resulting in staff dismissals, 3 cases were closed as Fraud Proven (No further action taken), 2 cases referred to the DWP, 2 cases closed as school place withdrawn, 2 cases were closed as merged with active cases, 53 closed No fraud, 26 closed insufficient evidence 5 cases referred to the police. 5 were closed after Advice and Assistance was given to respective departments.
Number of staff* no longer employed / dismissed as a result of CAFT investigations *This included LBB/Agency/Temporary staff and/or partner organisations or subsidiary holdings).	4	Please refer 'Corporate Fraud Noteworthy Investigation' sections of the report for further details.
Total number of on-going fraud investigations	23	Of these 23 cases, 1 relates to School admissions 1 relates to Family Services, 1 relates to RE,

		<p>9 relates to Council Tax, 1 relates to Waste and recycling, 1 relates to Parking, 1 relates to Assisted Travel, 6 relate to Adults & Communities (Direct Payments), 1 Adults & Communities (Customer Financial Affairs) 1 relates to Children's Services (Direct Payments)</p>
<p>Disabled Blue Badge Misuse and Fraud this details the investigation of Blue Badge misuse as well as Blue Badge fraud. Blue Badges can only be used by the named badge holder, or by a person who has dropped off or is collecting the badge holder from the place where the vehicle is parked. It is a criminal offence for anyone else to use a Blue Badge in any other circumstances.</p>		
Number of carried forward Fraud investigations from previous year	117	
Number of new BB referrals received	295	
Total Number of cases dealt with 2018-19	412	
Number of cases that were closed after successful prosecution	69	
Number of cases closed with Cautions being Administered	109	
Number of cases closed with a warning letter sent to badge holder or misuser	83	
Number of cases closed, fraud proven but no further action taken	10	These are cases where the circumstances of the offence are such that further action is unable to be taken or it is not in the councils or public's interest to pursue the matter
Number of cases closed due to insufficient evidence	54	
Number of cases closed, No Fraud	13	
Number of BB cases closed in 2018-19	338	
Number of on-going BB investigations carried forward into 2019-20	74	18 of these cases are already with our legal team for formal prosecution action
<p>Financial Investigations - a Financial Investigation under the Proceeds of Crime Act 2002 (POCA) ensures that any person subject to a criminal investigation by Barnet do not profit from their criminal action</p>		
Number of carried forward Financial investigations from 17-18	18	
Number of new Financial investigations	12	
Total number of cases dealt with 2018-19	30	
Number of closed Financial investigations	8	2 were closed as Proceeds Recovered

			<p>1 was closed Fraud Proven (linked to a Fraud Case)</p> <p>3 were closed No Fraud</p> <p>1 was closed insufficient evidence</p> <p>1 was closed as advice and assistance given</p>	
<p>Proceeds of Crime recovery amounts received.</p> <p>Under the Governments incentivisation scheme funds confiscated from criminals is shared as follows:</p> <ul style="list-style-type: none"> • 50% is allocated to the Treasury • 12.5% is allocated to the courts • 37.5% is allocated to the investigating and prosecuting authority <p>In addition to this scheme and in relation to the 37.5%, CAFT have local agreements in place with Re and other Local Authorities with regard to each investigation – as this share is some cases split further.</p> <p>For POCA cases relating to LBB services, the full 37.5% share is retained.</p>	<p>Total PoCA Confiscation resulting from CAFT Financial investigations</p> <p>£1,412,537</p>		<p><i>Breakdown of amounts - Refer to noteworthy summary for details of cases where POCA awarded and recovered in year</i></p> <p>SHAH – £242,849 (total amount goes to Re as compensation towards loss)</p> <p>FI Case 1: £310,000 (£31,000 for LBB and 85,000 for LBH)</p> <p>FI Case 2: £65,000 (£12,187 for LBB and £12.187 for RE)</p> <p>FI Case 3: £527,887 (52,788 for LBB and £145,169 for LBH)</p>	
	<p>37.5%</p> <p>(Of total amount) allocated to investigating and prosecuting authority (LBB)</p>	<p>£628,441</p>		<p>FI Case 4: £43,050 (£4,305 for LBB and £11,838 for LBH)</p>
	<p>LBB amounts</p>	<p>£157,234</p>		<p>FI Case 5: £223,751 (£41,953 for LBB and £41,953 for Re)</p> <p>Tenancy fraud case Miss C: £40,004 (£15,001 for LBB)</p>
	<p>Re amounts</p>	<p>£242,849 (SHAH case)</p> <p>+</p> <p>£54,140 (relating to planning cases)</p>		
	<p>Other LA's amounts</p>	<p>£242,007 (relating to planning cases)</p>		
<p>Total Number of on-going Financial investigations carried forward in 2019-20</p>	<p>22</p>		<p>Of these ongoing investigations: -</p> <p>6 relate to Re (Planning Enforcement)</p> <p>3 relate to Tenancy Fraud</p> <p>9 relate to investigations undertaken on behalf of L.B Haringey</p>	

		<p>1 relates to an investigation undertaken on behalf of L.B Enfield</p> <p>1 relates to Re (Finance)</p> <p>1 relates to Re (Trading Standards)</p> <p>1 relates to Barnet Homes (Rental income Team)</p>
<p>Tenancy Fraud Team prevent, identify, investigate, deter and sanction or prosecute persons that commit tenancy fraud in Barnet, ensuring maximising properties back to the Council where Tenancy Fraud has been proven.</p> <p>CAFT provide a detailed monthly statistical report, along with a more comprehensive half year and year-end report to Barnet Homes outlining how many properties have been recovered, along with a list of all referrals from the neighbourhood officers and the status of the cases referred</p>		
Number of carried forward Tenancy Fraud investigations from 2016-17	96	
Number of new Tenancy Fraud Cases referred to CAFT	307	
Number of new Right to Buy applications where information submitted was verified by CAFT	155	
Total number of cases dealt with 2018-19	558	
Number of Tenancy cases closed resulting in a property being recovered	53	<p>44 relate to standard tenancies <i>12 were recovered via civil court action due to evidence obtained by the CAFT investigation, 32 sets of keys were voluntarily surrendered as a result of CAFT investigations.</i></p> <p>4 relate to succession applications where the property was voluntarily surrendered by relatives who had no valid succession rights</p> <p>5 relate to emergency accommodation <i>1 property was voided due to non-occupancy and 4 voluntarily surrendered due to tenants not being resident or no longer needing the property</i></p>
Number of Tenancy cases closed with no fraud being identified	249	These cases were all investigated. All were closed due to no fraud being identified
Number of Housing Applications refused because of CAFT verification process	3	CAFT work closely with the Housing Options Team and carry out verification exercises for identifying

		inaccurate information being submitted on housing application forms. These exercises allow us to reserve the housing waiting list for only those who have a legitimate need for social housing
Number of mutual exchanges prevented because of CAFT intervention	1	Since April 2017 all mutual exchange applications are validated by CAFT to prevent unlawful house swapping.
Assignments refused as a result of CAFT intervention	1	CAFT check all assignments applications. These are when the tenant tries to assign the tenancy to another person
Number of Right to Buy cases closed due to applications being denied	41	£4,300,900 in discounts on these properties was prevented by refusing the sale of the properties due to the application being withdrawn as a result of CAFT investigations.
Number of Right to Buy cases closed after the application was validated by CAFT as being genuine	111	All Right to Buy cases are validated by CAFT. These cases were validated as having no issues and so allowed to progress through the Right to Buy Process with Barnet Homes
Total number of cases closed 2018-19	459	
Total number of on-going Tenancy Fraud Investigations.	88	
Number of cases with legal awaiting court action	8	
Total number of on-going right to buy Investigations.	3	
Number of cases being carried forward into 2019-20	99	
Other information reported as per requirements of policy.		
Number of requests authorised for surveillance in accordance with Regulation of Investigatory Powers Act 2000 (RIPA).	Nil this year. This statistic is reported for information purposes in accordance with our policy and statistical return to the Office of Surveillance Commissioners. There was 1 Non RIPA Request for Overt surveillance which was considered by the Councils SRO and reported to the ICO (Information Commissioners Office). In addition to this, the Authority was audited by the ICO where matters around RIPA training and enhances policies were discussed. The Authority is currently waiting for the final report to be delivered from the ICO	

<p>Number of referrals received under the council's whistleblowing policy.</p>	<p>There have been 4 referrals received under the council's whistleblowing policy 2018-19:</p> <p>1 - relates to a two-part referral the first and substantive part of the referral related to the individuals own employment issues and the whistle-blower was informed how to raise the issue in accordance with the relevant HR Policy. The second part of the referral related to various concerns that will be reviewed within planned internal audits.</p> <p>2 – relates to a matter that was passed to the appropriate service to deal with under the Corporate Complaints procedure.</p> <p>3 - relates to a matter that was passed to appropriate service to deal with under the Corporate Complaints procedure</p> <p>4- one relates to an issue that has been dealt with under the Corporate Complaints procedure.</p>
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3. Noteworthy investigations summaries for 2018/19

Corporate Fraud Investigations

Case 1 - relates to a Financial Proceeds of Crime Case and a significant Fraud by **Trishal SHAH**, a former Capita member of staff working for Re (Regional Enterprise Ltd) a joint venture between the council and Capita, who was also previously employed by the council within the finance department.

The investigation began in December 2017 when the council/CSG finance department were alerted to an unusual transaction by SHAH's bank. The matter was immediately passed to CAFT who initiated a criminal and financial investigation and within 24 hours of the initial referral, sufficient evidence was obtained relating to many fraudulent transactions giving grounds to arrest SHAH at his home address with the assistance of Police colleagues. During the arrest, a search of SHAH's residence took place which resulted in documentary evidence and a quantity of cash being seized. CAFT officers conducted an interview under caution at Colindale Police Station where SHAH made 'no comment' to questions put to him. Following the interview SHAH was released from Police custody pending further investigations by the council.

CAFT continued with the investigation which was complex and lengthy in its nature. The key factors in this case were that SHAH had abused his position of employment as a Capital Investment Manager Within Re to give dishonest instructions for CHAPS payments to be processed in relation to fictitious compulsory purchase orders [CPOs] so that the funds were diverted into 10 different bank accounts operated by him. The investigation had confirmed that a total of 62 CHAPS payments were requested by SHAH and that the fraud was perpetrated over a sustained period of 9 ½ months in all. **The total value of the fraud was £2,063,972.00**, this was repaid to the council by Re.

The CAFT investigation included utilising our financial investigation powers to the full extent and seeking support where appropriate from colleagues in the Economic Crime Unit within the Police service. Once we were satisfied that we had established the full extent of the fraud, SHAH was interviewed under caution a second time on 28th February 2018 by CAFT officers this time at NLBP. Once again at this interview SHAH made no comment to the questions put to him; although he did read out a prepared statement.

Following this second interview, a prosecution file was completed by CAFT and SHAH was subsequently summonsed by our shared legal service HB Public Law to appear before Willesden Magistrates court on the 3rd July 2018, on two charges of Fraud by Abuse of Position, contrary to the Section 4 of the Fraud Act 2006. SHAH gave no indication of plea and the matter was referred to Crown Court for a Plea and Trial Preparation Hearing

on 31st July 2018. At this hearing on 31st July 2018 SHAH pleaded guilty to two offences of fraud by abuse of his position. The charges related to two separate periods of time, separated by a 7-month gap, during which the fraudulent transactions were made; July 2017 – March 2017 and October 2017 – December 2017.

SHAH was sentenced to **5 years imprisonment** on each of the 2 counts of Fraud by Abuse of Position (Fraud Act 2006) to run concurrently. The council has recovered the stolen funds and are currently engaged in further legal actions under the Proceeds of Crime Act relating to confiscation proceedings.

In parallel to the criminal investigation the council commissioned Grant Thornton to undertake an independent review of financial controls. CAFT officers have supported the Grant Thornton review and worked closely with the auditors throughout to enable the council to fully understand and document the circumstances under which the fraud occurred and to also identify lessons learned.

The final Grant Thornton report is available and published on the council's website: - [Financial controls - barnet.gov.uk](https://www.barnet.gov.uk)

Case 2 relates to a case of Direct Payments Fraud. The offender continued to receive and spend her father's social care payments despite the fact that he had passed away. Kalson HASSAN appeared at Willesden Magistrates' Court on 4th September 2018 where she pleaded guilty to fraud offences after failing to notify the council. Following an investigation carried out by CAFT, it was established that she had illegally -retained more than £8,000 in direct payments.

When interviewed by counter-fraud officers, HASSAN confirmed she had spent all the money received since her father passed away. At the court hearing she was sentenced to a 12-month community order with 120 hours of unpaid work. She was also ordered to repay the £8,137.53 she illegally claimed, and £1,000 in costs.

Case 3 relates to a member of staff of Your Choice Barnet, part of the Barnet group who was arrested and charged by Police with Fraud by false representation, following an allegation that monies had been identified as being taken from the bank account of a Barnet adults service user after he had passed away. CAFT assisted Police with the investigation leading up to the arrest, the member staff is no longer working for the organisation as a result of the investigation and is due to be sentenced in the next couple of months for the offence.

Case 4 relates to an investigation following a referral from a shop owner who alleged that he had seen a Barnet vehicle enter an area of private property and observed staff members take items belonging to his shop without his permission. He initially reported the matter to both the council and Police. Police subsequently closed their investigations as they stated the case did not meet their threshold for further investigation to be considered, the staff members were identified, and the items were returned to their rightful owner. A disciplinary investigation then ensued resulting in the dismissal of 2 members of staff and a third resigning prior to disciplinary.

Case 5 relates to an allegation of a fraudulent primary school's admission. The basis of the referral was that the application address was in fact within the catchment area for the requested school, but that the applicants did not reside at the address. CAFT therefore commenced an investigation. CAFT enquires confirmed that although the address was owned by the applicant they did not reside at the property as there was evidence they actually resided at an address outside the catchment area and as a result the preferred school requested by the applicant was not offered so no further action needed to be taken.

Case 6 relates to a school place application submitted to the admissions team, suspicions were raised to CAFT in relation to the application address following inconsistent information being provided by the applicant, investigations revealed that at the time of application the applicant was not residing at the property which had been declared on the application form, given that the school place was going to be offered based on the location off the applicant address and it had been confirmed they were not resident at the property the school place application was not accepted by the admissions team in relation to the desired school placement of the applicant.

Blue Badge Prosecutions

Case 1 relates to the misuse of a deceased persons Blue Badge that was being used by a family member to gain free parking. The offender altered the date on the badge to make it appear valid. The offender pleaded Guilty to wrongful use of a disabled badge contrary to section 117 of the Road Traffic Regulation Act 1984 at Willesden Magistrates Court on 17th April 2018 and was sentenced to a fine of £400, ordered to pay costs of £600 and a £40 victim surcharge.

Case 2 Relates to the misuse of a child's Blue Badge. The offender used a family members badge to park whilst attending University to avoid paying for parking whilst the child was at school in another Borough. The offender misused the badge on two occasions and misled the investigation when she was interviewed under caution by telling officers that the child was present with her. Once presented with the evidence she admitted to misusing the Blue Badge. Records showed that the offender had been interviewed for the same offence the previous year. The case was heard at Willesden Magistrates court on 22nd May 2018 where the offender was found guilty in her absence of two offences of wrongful use of a disabled badge contrary to section 117 of the Road Traffic Regulation Act 1984. She was sentenced to a fine of £300 (£150 for each offence), ordered to pay costs of £820.67 and a victim surcharge of £30.

Case 3 relates to the misuse of a deceased person's Blue Badge that was being used by a family member to gain free parking. The offender used the badge on two separate occasions and provided false information indicating that his grandmother was still alive to avoid paying the parking fines. The offender pleaded Guilty at Willesden Magistrates Court on 4th September 2018 to two offences of wrongful use of a disabled badge contrary to section 117 of the Road Traffic Regulation Act 1984 and was sentenced to a fine of £660 for each of the two offences, ordered to pay costs of £700 and a £66 victim surcharge.

Case 4 relates to the misuse of a family member's disabled badge. Further investigation revealed that the defendant had already been given a caution by the London Borough of Barnet for the misuse of the same badge on a previous occasion. The offender admitted to the misuse at interview. He failed to attend at Willesden Magistrates Court on 18th September 2018 and was found guilty in absence to wrongful use of a disabled badge contrary to section 117 of the Road Traffic Regulation Act 1984 and was sentenced to a fine of £500, ordered to pay costs of £794.90 and a victim surcharge of £50.

Case 5 relates to the fraudulent use of a stolen Disabled Badge. The offender persuaded his father to attend an interview under caution and cover for him by stating that he was the one who used the badge. CCTV evidence showed the real offender and eventually he attended an interview and gave a full admittance stating that he had bought the badge off someone. The offender pleaded guilty to Handling Stolen Goods (Theft Act) and wrongful use of a disabled badge contrary to 117 Road Traffic Regulation Act 1984 on 5th September 2018 and was sentenced to a fine of £150, ordered to pay full costs of £1741 and a victim surcharge of £30.

Case 6 relates to the misuse of Disabled Badge that had been reported as stolen a year before its use. The offender attended interview but failed to give an explanation for how he came to be in possession of the badge. The offender failed to attend at Willesden Magistrates Court on 24th July 2018 and was found guilty in absence to wrongful use of a disabled badge contrary to section 117 of the Road Traffic Regulation Act 1984 and was sentenced to a fine of £440, ordered to pay costs of £912.90 and a victim surcharge of £44.

Case 7 relates to the misuse of a child's disabled Blue Badge that was being used by a family member to gain free parking. The offender initially pleaded 'not guilty' at Willesden Magistrates Court on 9th October 2018 stating that the badge was not on display. After a brief discussion with her lawyer, she pleaded Guilty to an offence of wrongful use of a disabled badge contrary to section 117 of the Road Traffic Regulation Act 1984 and was sentenced to a conditional discharge, ordered to pay costs of £2,000 and a £20 victim surcharge.

Case 8 relates to the fraudulent use of a foreign disabled badge believed to be a forgery. The offender was approached by Fraud Officers at the scene when using the badge and had refused to co-operate. He drove off without providing his details. Video footage was obtained by the officer which gave a clear description of the driver who was later identified as being a student at the local University. He attempted to mislead the investigation by stating that he had sold the car and the offender was not him and refused to attend a formal interview. The offender was summonsed to court and pleaded guilty to wrongful use of a disabled badge

contrary to 117 Road Traffic Regulation Act 1984 on 13th November 2018 and was sentenced to a fine of £150, ordered to pay full costs of £550 and a victim surcharge of £30.

Case 9 relates to the misuse of a deceased persons Blue Badge that was being used to gain free parking. The offender stated that he had found the badge a couple of days before, however further investigations established that the badge had been used on the same vehicle some months earlier by his wife (please see case 10 below). The offender in this case pleaded guilty at Willesden Magistrates Court on 13th November 2018 to Theft by finding (Theft Act 1968) and to wrongful use of a disabled badge contrary to section 117 of the Road Traffic Regulation Act 1984 and was sentenced to a fine of £500 for Theft, a £200 fine for the misuse of the badge, ordered to pay costs of £500 and a £50 victim surcharge.

Case 10 – relates to the misuse of a deceased persons Blue Badge that was being used to gain free parking. The offender was investigated for using the badge on her vehicle when it came to light that she had received a parking fine and photographic evidence showed the Blue Badge displayed. She was interviewed and admitted using the badge that had been found by her husband. The offender pleaded guilty to wrongful use of a disabled badge contrary to 117 Road Traffic Regulation Act 1984 on 13th November 2018 and was sentenced to a fine of £100, ordered to pay costs of £200 and a victim surcharge of £30.

Case 11 relates to the misuse of a deceased persons Blue Badge that was being used to gain free parking on more than one occasion. Further to this, the offender had appealed and got away with paying previous parking fines by stating that he had a blue badge and that he was the badge holder. The offender pleaded guilty to two offences of wrongful use of a disabled badge contrary to 117 Road Traffic Regulation Act 1984 and 2 offences of Fraud by False Representation contrary to the Fraud Act 2006 on 04th December 2018. He was sentenced to £600 for each Fraud offence, £100 for each misuse offence, ordered to pay costs of £1,280.09 and a victim surcharge of £60. In total, he was ordered to pay £2,740.09

Case 12 relates to the misuse of a child's Blue Badge on several occasions by the badge holders mother. She was under investigation for misusing the badge and had continued to misuse the badge whilst proceedings for offences were on going. The first case went to trial at Willesden Magistrates Court on 10th January 2019 and the offender was found guilty by the Magistrates of two offences of wrongful use of a disabled badge contrary to 117 of the Road Traffic Regulation Act 1984. She was fine £150 for each offence and ordered to pay costs of £500 as well as a £30 victim surcharge. She was brought to court for the third offence of wrongful use of her child's badge and pleaded guilty at Willesden Magistrates Court on 26/03/2019 and was fined £250, ordered to pay costs of £150 and a £30 victim surcharge.

Case 13 relates to the misuse of a stolen Disabled Badge. The offender claimed to have found the badge and subsequently misused it to gain free parking. He pleaded guilty at Willesden Magistrates Court on 29th January 2019 to Theft by Finding contrary to the Theft Act 1968 and wrongful use of a blue badge contrary to section 117 of the Road Traffic Regulation Act 1994. He was sentenced to a fine of £250, ordered to pay costs of £300 and a £30 victim surcharge.

A further 56 cases of blue badge Fraud were put before the courts. All of which were found guilty with Fines being issued and costs being awarded to the council.

Simple Cautions (previously known as Formal or Police Cautions)

The aims of the simple caution scheme are:

- *To offer a proportionate response to low-level offending where the offender has admitted the offence;*
- *To deliver swift, simple and effective justice that carries a deterrent effect;*
- *To record an individual's criminal conduct for possible reference in future criminal proceedings or in criminal record or other similar checks;*
- *To reduce the likelihood of re-offending;*

- *To increase the amount of time police/investigation officers spend dealing with more serious crime and reduce the amount of time officers spend completing paperwork and attending court, whilst simultaneously reducing the burden on the courts.*

109 cautions were administered by CAFT in 2018-19 where Disabled Blue Badges were found being misused. Following investigative interviews under caution, the circumstances of these cases allowed CAFT to consider them to be dealt with by way of the administration of a Simple Caution.

Financial Investigations

Case 1 - relates to a case that was part of our partnership working with the London Borough of Haringey. Their investigation centred around an individual who failed to comply with a planning enforcement notice ordering them to cease the use of the property as 9 self-contained flats. He failed to comply with the notice and continued to rent the units, generating a rental income. CAFT officers commenced a financial investigation on behalf of LB Haringey. This resulted in a confiscation order being made for the sum of £310,000 (*Barnet will receive 10% of this awarded amount (£31,000) under our agreement with Haringey in addition to the hourly recharge for time spent on the investigation*). The defendant was also fined £5,000 and ordered to pay costs of £4,000.

Case 2 - relates to a RE planning investigation involving Proceeds of Crime Act for the rental income derived by an individual who had failed to comply with a planning enforcement notice ordering them to cease the use of the property as 9 self-contained flats. The individual rented the units to tenants and generated a rental income. He was initially prosecuted for the planning offence and in addition to this a financial investigation commenced under the Proceeds of Crime Act 2002. He was found to have benefitted from his criminal conduct and a confiscation order was given against him for the sum of £65,000 Under the incentivisation scheme Barnet will receive £24,375 (**£12,187 for LBB** and £12,187 for RE) the offender was also fined £5,000 for the planning offence and ordered to pay costs of £15,000. This has been confirmed as received by the courts and will be transferred to Council in April 2019.

Case 3 - relates to a case that was part of our partnership working with the London Borough of Haringey. Their investigation centred around the rental income derived as a result of a breach of a planning enforcement notice whereby the defendant converted a property he owns into 12 flats which he went on to rent out in order to make a profit without having obtained the correct planning permission for the conversion of the property into individual dwellings. This case was investigated by Barnet Financial Investigators as part of an agreement with the London Borough of Haringey, the court ordered the suspect to pay a confiscation order in the sum of £527,887- (*Barnet will receive 10% of this awarded amount (£52,788) under our agreement with Haringey in addition to the hourly recharge for time spent on the investigation*), he was also fined the maximum £20,000 for the initial planning offence and ordered to pay nearly £5,000 in costs.

Case 4 - relates to a case that was part of our partnership working with the London Borough of Haringey. Their investigation centred around the rental income derived as a result of a breach of a planning enforcement notice whereby the defendant converted a property she owns into 2 flats which she went on to rent out in order to make a profit without having obtained the correct planning permission for the conversion of the property into individual dwellings. This case was investigated by Barnet Financial investigators as part of an agreement with the London Borough of Haringey, the court ordered the suspect to pay a confiscation order in the sum of £43,050 (*Barnet will receive 10% of this awarded amount (£4,305.) under our agreement with Haringey in addition to the hourly recharge for time spent on the investigation*) she was also fined £8,000 for the initial planning offence and ordered to pay £2,000 in costs.

Case 5 - relates to a RE planning investigation involving Proceeds of Crime Act for the rental income derived as a result of a breach of a planning enforcement notice whereby the defendant converted a property he owns into 4 flats which he went on to rent out in order to make a profit without having obtained the correct planning

permission for the conversion of the property into individual dwellings. The defendant failed to attend court hearings in relation to the planning enforcement offence and so a warrant was issued for his arrest. The Council had submitted evidence that the offender had absconded and as such commenced proceedings under the Proceeds of Crime Act which allows the court to consider confiscation where an offender is neither convicted nor acquitted. The lengthy investigation involved gathering evidence that the offender was absconding criminal proceedings and calculating income derived from the proceeds of crime generated from the renting of the flats. On 12th March 2019 at Harrow Crown Court, the judge found that the criteria were met for making the confiscation order in the absence of the defendant for £223,751. Under the incentivisation scheme Barnet will receive £83,906 (**£41,953 for LBB** and £41,953 for RE) There was also an order to pay full costs of £7,164. This has been confirmed as received by the courts and will be transferred to LBB in April 2019.

Tenancy Fraud Investigations

Mr A had a two bedroom flat in Edgware, a referral was received from the Gas Safety Team following a forced entry into the property due to lack of contact, the locks on the property were changed, however the tenant did not pick up the new keys, the CAFT investigation found the tenant had been abroad since September 2017 and had no intention to return, the case went to civil court and outright possession was granted, an eviction took place and the property was recovered, no further action was taken due to the tenant being abroad.

Ms B had a two bedroom flat in Edgware, an anonymous referral was received stating the tenant was sub-letting the Nottingham Housing Association property they were meant to be residing in, the CAFT investigation identified that the tenant had been living abroad for some time and was sub-letting the property receiving a rental income of £600 per month, whilst causing a loss to Barnet Council of over £15,000, the tenant was interviewed under caution where she fully admitted the offence of sub-letting the property whilst she was living abroad, the case is currently with legal at present for prosecution.

Miss C had a two bedroom flat in Barnet, a referral was received stating the tenant was not resident in the property and sub-letting to two other people, the CAFT investigation identified the tenant jointly owned a property elsewhere and had been living there with her partner and family. Further investigation found she had been receiving a rental income from the sub-tenants between October 2007 and October 2013. The matter went to Harrow Crown Court where the tenant pleaded guilty to a charge of subletting, contrary to section 1 of the Prevention of Social Housing Fraud Act and received a sentence of 20 months imprisonment, suspended for 18 months. She was ordered to carry out 80 hours of unpaid work and to pay costs of £6,883. CAFT decided to take further financial action under the Proceeds of Crime Act 2002 due to the rental income received. As a result, a confiscation order was made by the court for the amount of £40,004. Under the incentivisation scheme Barnet receives £15,001. This has been paid in full.

Mr D made an application to Barnet Homes looking to succeed his late grandmother's two bedroom flat in Barnet, to be able to succeed a tenancy the applicant must have been resident in the property for at least 12 months prior to the tenant passing away, the CAFT investigation found that the applicant had not been resident at the property for the required amount of time, the applicant was interviewed where he agreed to withdraw the application and voluntarily surrender the keys.

Miss E had a two bedroom house in Edgware with Nottingham Housing Association, a referral was received from the housing officer who had concerns the tenant did not have her son living with her at the property, the CAFT investigation found that her 'son' was in fact her nephew and he lived elsewhere with his actual mother, a visit to this property confirmed this, the tenant had completed a false application form to obtain the property and was interviewed under caution, the tenant fully admitted to the offence and the property was recovered, due to a number of mitigating circumstances the tenant was given a formal caution and made a contribution towards the investigation costs.

Mr F had a two bedroom flat in Finchley, as part of a proactive exercise an un-announced visit was made to the property to carry out a tenancy audit check, the door was answered by a person who was not the tenant and stated that her and a friend rented the property from Mr F and each paid him rent of £600 per month, the CAFT investigation revealed the tenant was living elsewhere with his wife and child where he had another tenancy and was in deed sub-letting the social housing property, bank statements confirmed he was receiving rental payments from two people in the amount of £600 per month, the tenant was interviewed under caution where he admitted sub-letting the property, the tenant voluntarily gave up the tenancy and returned the keys, the case is now with our legal team for criminal proceeding.

Mr G had a one bedroom flat in Hendon, a referral was received from the care taker of the address who suspected the property was being lived in by someone other than the tenant, the resulting CAFT investigation found that the tenant was in fact living elsewhere whilst sub-letting the property and receiving rental payments. The tenant failed to attend any of the arranged interview under caution appointments and made it clear he would not be attending. The case was taken to civil court where an outright possession order was granted and the property was recovered. The case is currently with our legal department for consideration to prosecute in relation to offences contrary to Section 1 of the Prevention of Social Housing Fraud Act 2013.

Mr H had a one bedroom flat in Colindale, an application was received from the tenant in relation to reassigning the property to his brother as he needed to travel to Afghanistan to care for his sick mother, the CAFT investigation found that the tenant had in fact been living in Canada since 2014, the tenant returned to the UK for a formal interview under caution, however his solicitor advised him not to be interviewed, the tenant subsequently voluntarily surrendered the keys to the property and then returned to Canada before any legal proceeding could take place.