

# Corporate Anti-Fraud Team (CAFT) Half Yearly Report:

## 1 April 2023 – 30 September 2023

### EXECUTIVE SUMMARY

This report is to provide a summary on the outcome of all CAFT work undertaken between 1 April 2023 and 30 September 2023, 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 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.

The CAFT is made up of four specialist investigation teams: The Corporate fraud Team, The Concessionary Travel Fraud Team, The Tenancy Fraud Team and the Financial Fraud Team (Proceeds of Crime)

The **Corporate Fraud Team** investigated **83** cases of alleged fraud. These investigations resulted in **1** criminal prosecution relating to school admission fraud, **3** cases being referred for disciplinary action, and **9** cases resulting in civil recovery action (**8** of these cases related to the Council Tax Support scheme with **£23,340.40** being identified for recovery and **1** case relating to a Council Tax exemption with **£5,545.51** being identified for recovery). **5** Administrative Penalties were issued totalling **£4,402.09** relating to Council Tax Support Offences. There were **2** cases where applications that were submitted to the Council were denied resulting in Council savings of **£1,905.60**, **1** related to a school admissions case, and **1** case was concluded where an attempted fraudulent invoice was refused relating to Highways.

The **Concessionary Travel Fraud Team** has investigated **154** cases relating to alleged Blue Badge misuse, fraudulent appeals against penalty charge notices (PCNs) and alleged parking permit fraud. These resulted in **8** successful criminal prosecutions, **27** Simple Cautions being administered, and **30** official warning letters being issued. **£6,192.53** in costs were recovered via the courts and caution payments. There was also **£3,528** issued in court fines.

The **Tenancy Fraud Team** investigated **328** cases. **223** new referrals were received, **153** of these related to alleged Tenancy fraud and **70** related to Right to buy verification. (**31** of the fraud referrals were received from Barnet Homes with **5** cases relating to *Open Door Homes properties*). Over the course of the first 6 months the team were responsible for recovering **19** properties. **7** Right to Buy applications were denied due to the applicants not being eligible to purchase the property under the scheme. In addition to this, Tenancy fraud officers prevented **10** new applications from progressing, due to the applicant not being resident at the property or where circumstances were established where they were not entitled to these services. The applications that were denied related to Assignment (2), joint to sole (2), and mutual exchange (2) and Homeless Applications (4).

There have been **11 Financial Investigations under the Proceeds of Crime Act** carried out. **10** of these are on-going and recovery of confiscation orders continues. **1** case was closed due to insufficient assets being available to continue. **2** new cases were opened relating to Direct Payment Fraud and Right to Buy Fraud.

In addition to the specialist investigative role, CAFT continue to provide advice and support to every aspect of the organisation including its partners and contractors in relation to matters of fraud. 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 will progress to criminal investigation and others will not, but in all cases appropriate actions, such as disciplinary or recovery action is taken. It is this element along with the ‘preventative – deterrent’ nature of the CAFT work that is hard to quantify statistically but where possible we have done so in the performance indicators section of this report.

We are confident that CAFT will 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.

### Other information reported as per requirements of policy.

<p>Number of requests authorised for surveillance in accordance with Regulation of Investigatory Powers Act 2000 (RIPA).</p>	<p><b>0</b> This statistic is reported for information purposes in accordance with our policy and statistical return to the Office of Surveillance Commissioners.</p>
<p>Number of referrals received under the council’s whistleblowing policy.</p> <p>In addition to this; -</p> <ul style="list-style-type: none"> <li>• The WB hot line received 1 call – which was not WB but passed to relevant service to deal with</li> <li>• The WB email address received details of 13 different matters/concerns – none of which were WB but passed either to CAFT to investigate, or relevant dept or agency such as DWP/Police/Action Fraud/other LA</li> </ul>	<p><b>1</b>– review underway <i>details of any WB matters will only be reported as appropriate on conclusion.</i></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. All local Authorities have a statutory duty to take part in this national exercise and as a result Barnet submitted a number of data sets to the Cabinet Office for matching against other public-sector data sets. In February 2023 this matching process returned **99** separate reports containing a total of **9,514** matches to Barnet

The process of working through these matches includes allocating matched data to the relevant service areas to investigate any anomalies and update their systems with verified information. The CAFT team will investigate Housing Tenancy matches, Blue Badge matches and any that relate to internal Fraud such as Payroll and Procurement matches.

So far this year, we are able to report the following results from the NFI.

**311** disabled blue badges were cancelled due to the resident being deceased where the Council were not already aware, which has resulted in an estimated saving of **£202,150**. This figure is based on the Cabinet Office estimated savings figure of £650 being attributed to each blue badge that is cancelled.

**All** matches have been looked at relating to all services, with only a few remaining to be actioned. These have **resulted in 1** match identified as fraud where an administrative penalty was issued relating to Council Tax Support offences. The total outcomes relating to Housing and Council tax support benefit overpayments is **£163,660.73** where recovery of this amount is on-going. The majority of the NFI exercise is complete, however new matches that relate to HMRC data will be produced from 1<sup>st</sup> November 2023.

# CORPORATE FRAUD

There have been **83** cases dealt with in in the first half of the year relating to Fraud against services provided by the Council or within Service Areas

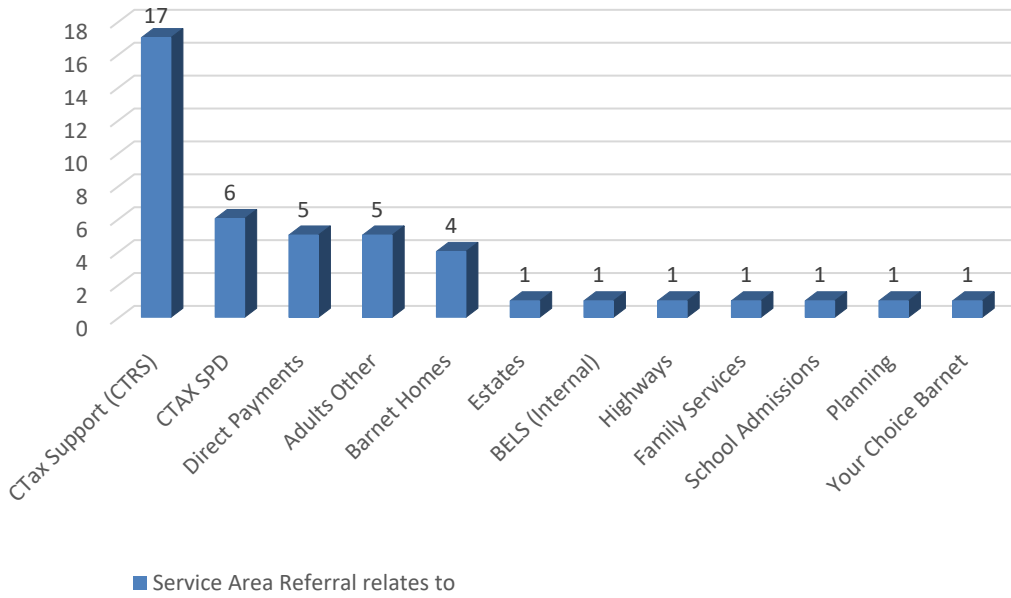
**39** cases carried forward from 2022-23

**44** New referrals received in first half of the year.

**35** cases were closed

**48** on-going investigations.

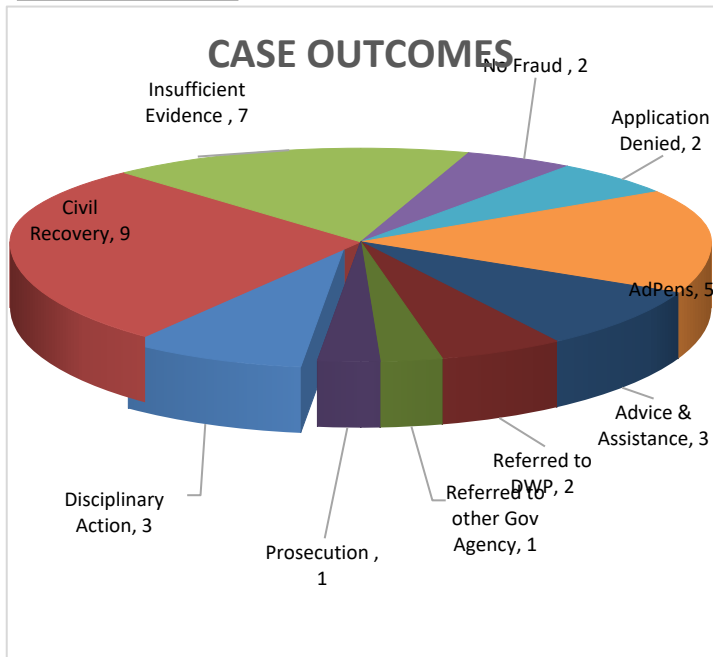
## New referrals received in first half of the year



This graph shows how the distribution of new fraud referrals has crossed a wide variety of Council services so far this year.

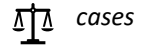
**52.2%** of new referrals related to Council Tax fraud, mainly due to the National Fraud Initiative (NFI).

## Closed cases

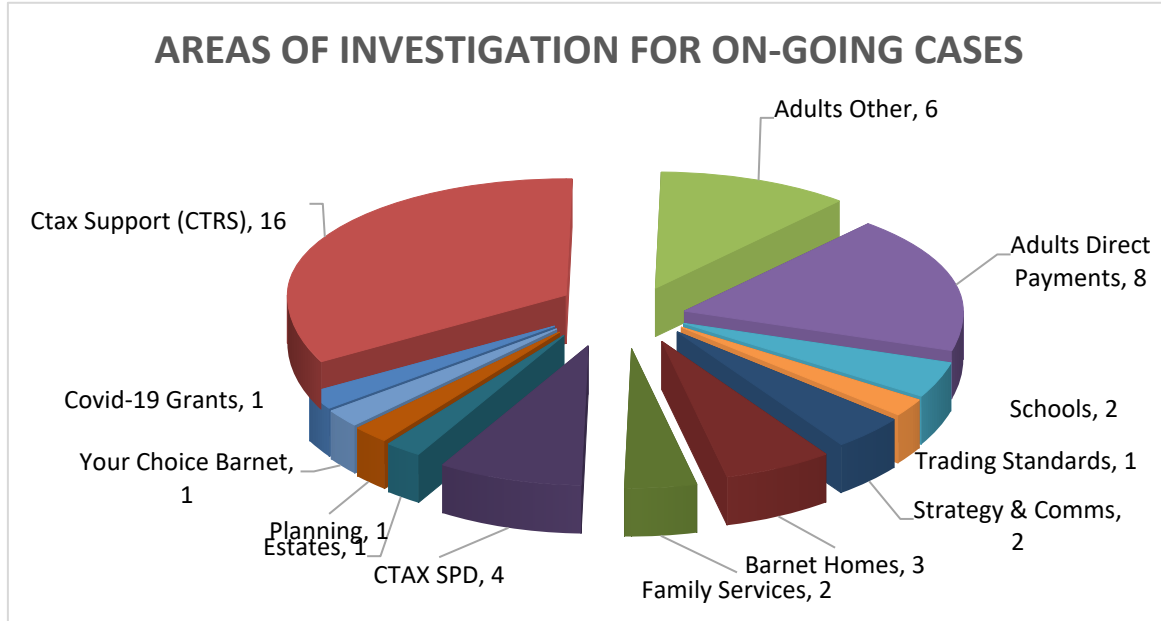


## Outcomes

- 1** Prosecution *\*see noteworthy cases*
- 9** Civil Recovery actions **£**
  - 1 Exemption removed from Council Tax account resulting in **£5,545.51** to be recovered
  - 8 actions relating to Council Tax Reduction Scheme (CTRS) with **£23,340.40** identified for recovery
- 3** Disciplinary Actions
- 2** Applications Denied (*school admissions & attempted fraudulent invoice with a value of £1,905.60*)
- 5** Administrative Penalties **£4,402.09** *\*see noteworthy cases*
- 7** Insufficient Evidence
- 2** No Fraud
- 3** Advice & Assistance
- 2** Referred to DWP
- 1** Referred to other Government Agency



## On-going investigations



**3** cases are currently with our legal team awaiting prosecution.

**1** relates to Direct Payment Fraud

**1** relates to Estates.

**1** relates to CTRS offences.

- 16** Council Tax (CTRS)
- 8** Adults Direct Payments
- 6** Adults Other
- 3** Barnet Homes
- 4** CTAX SPD
- 2** Schools
- 2** Strategy & Comms
- 2** Family Services
- 1** Covid-19 Grants
- 1** Trading Standards
- 1** Planning
- 1** Estates
- 1** Your Choice Barnet

## Pro-Active areas of work

The Corporate Fraud team carried out a pro-active exercise to identify direct payments being paid by the council where the beneficiary of the payment had passed away. This exercise resulted in no fraud being identified, giving extra assurance around the processes and procedures in this area.

The team have also been working closely with Adults Social Services to adapt the formal declaration included in direct payment agreements and literature to give those in receipt of a direct payment or responsible for those that require care, a greater understanding of their role and responsibilities in respect of money received and how it should be spent. It also ensures awareness that the London Borough of Barnet will take action against those committing fraud and serve as a deterrent.

## Noteworthy Corporate Cases

**Case 1** – Relates to a School Admissions Fraud. Ms S falsely declared that she was living at a home owned by an elderly couple because it was within the catchment area of Mill Hill County High School. She had forged sale contracts, tenancy agreements and utility bills to try and get her son into one of the most sought-after local schools. She created fake utility and council tax accounts for the house and collected post from the real owners, saying it had been delivered to them by mistake. Her actions were discovered when the elderly couple found that they were building up council tax arrears, despite paying their bill promptly. Ms S was working as a paralegal aiming to become a conveyancer. Ms S and her ex-partner had purchased a piece of land at the rear of a property in Mill Hill. She applied for a school place on the basis that she was planning to build a property on the land and move in, but the plot had no access to a road.

The council's admissions team rejected the application, saying it could only be based on the applicant's current address. She then said she lived at the property on a piece of land, which was owned by the elderly couple, but they had never met her before. The council was unable to verify that she had moved house, so she created a false tenancy agreement showing she was renting out her property in Hendon. CAFT officers visited the properties and obtained witness statements as well as examining documents that had been submitted. This provided evidence that she had lied about her living arrangements. She was interviewed under caution by CAFT officers and gave a no comment response to all questions asked, however, she later provided a statement admitting her actions.

On 8th June 2023 at Willesden Magistrates' Court Ms S admitted to eight counts of using a false instrument with intent during the period 29 October 2021 to 20 May 2022, contrary to sections 4 and 6 of the Forgery and Counterfeiting Act 1981.

As a result, she was sentenced to 20 weeks imprisonment for each of the 8 offences to run concurrently. This sentence was suspended for 12 months on the following conditions:

- Unpaid work ordered for 150 hours
- Rehabilitation activity for 10 days to relate to consequential thinking
- **£2,500** costs awarded and a victim surcharge of **£128**

**Case 2** - Mr K was in receipt of Council Tax Support benefits but had received a significant amount of inheritance money during 2019 which he did not declare and would have had an impact on the amount of benefits received. He had chosen to purchase a property in Derby, without the need for a mortgage. This property was later converted into a five-bedroom property and rented out. The money he received, and the subsequent purchase of the property was not declared. During the investigation, he claimed that his friend completed the benefit forms on his behalf and told him that he would still be entitled to the same amount of benefit. Evidence has been seen in the form of an email from the Council Tax benefits section in 2019 advising that they had been notified of a change of address, the claimant responded to say that he has not changed his address and still resided in Barnet, he did not mention that he had purchased a property. In 2020 there was another email from the benefits section advising that he was in rent arrears and that he must provide evidence of all income received. At the time of this email, he was receiving money from a person whom CAFT officers identified as the tenant of the address he purchased in Derby. When the benefits assessment was done taking into account his property as capital in June 2023, Mr K sent an email advising that his property was not in a liveable condition. This was a further attempt to mislead the Council as CAFT evidence shows that the property was being rented out. In line with relevant legislation and Council Tax Reduction Scheme guidance, an administrative penalty amounting to **£1,000** was accepted by Mr K. This needs to be paid in addition to the **£3,017.06** in overpaid Council Tax Support that is due to be recovered.

A further **four** Administrative Penalties were given to suspects who had committed offences contrary to the Council Tax Reduction Scheme (detection of fraud and Enforcement) Regulations 2013 totalling **£4,402.09**.

**Case 3** – An internal member of staff working in Adults Social Services had failed to declare that she had set up her own company that deals with payroll services and care provision for vulnerable adults which was in direct conflict with her job role. The CAFT investigation had found that she had used her knowledge and client base at the Council to set up her own enterprise and therefore make a gain for herself. She was interviewed under caution where she made a pre-prepared statement. The relevant parts of the code of conduct were read to her including the need to declare interests, financial or otherwise that would impact the council and the need to declare other work and involvement with a business. She claimed not to have seen the code of conduct and never read it, however had signed the Council's contract of employment. The case was referred to the service for disciplinary action and she had subsequently resigned during this process. There was no evidence of any financial loss to the Council or the residents using her services so no further action by CAFT required.

# CONCESSIONARY TRAVEL FRAUD

This section details the investigation of Blue Badge Misuse, Parking permit fraud and fraudulent appeals for Penalty Charge Notices (PCN's). 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.

There have been **154** cases dealt with in first half of the year relating to Concessionary Travel Fraud

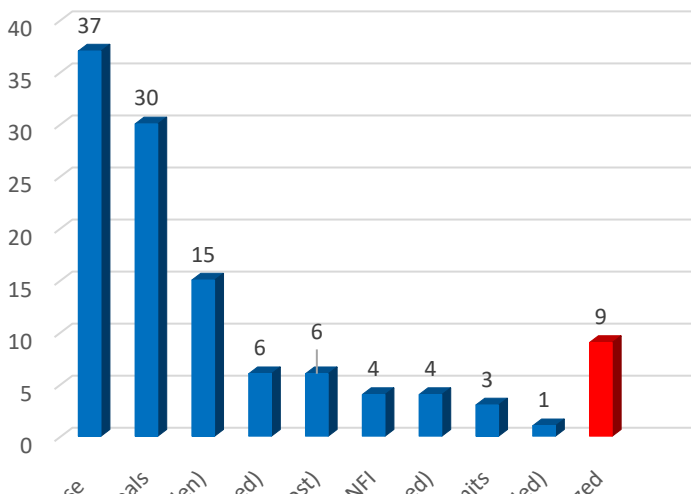
**48** cases carried forward from 2022-23

**106** New referrals received.

**111** cases were closed

**43** on-going investigations.

## New Referrals received

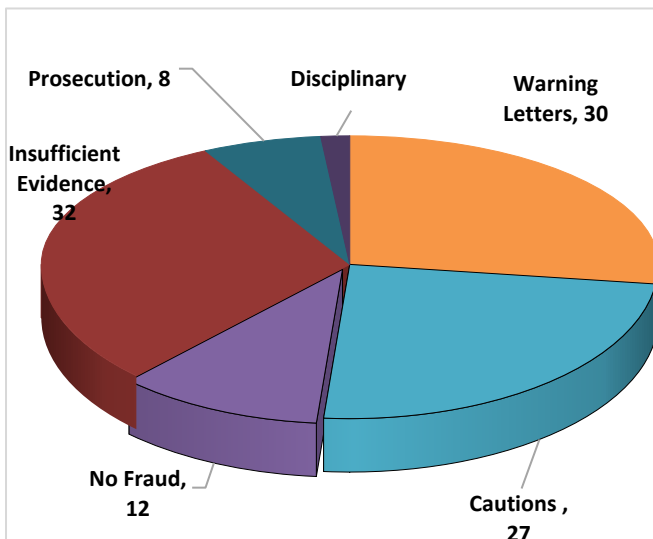


The highest number of referrals related to blue badge misuse / fraud in the area of **Golders Green** with this accounting for **18.8%** of all new referrals received this year. The next highest area of misuse occurred in **Edgware** with **13.2%** of new cases in this area.

**19.8%** of all new cases related to the use of **lost and stolen** blue badges.


There were a significant number of new referrals relating to **Penalty Charge Notice (PCN) Appeals** due to weekly PCN appeal reviews carried out by CAFT to identify fraud.

## Closed cases



## Outcomes

**8** Prosecutions  (council costs recovered £4,734.50)  
(Court fines issued £3,528)

**27** Cautions  (total costs recovered £1,458.03)

**30** Warning Letters 

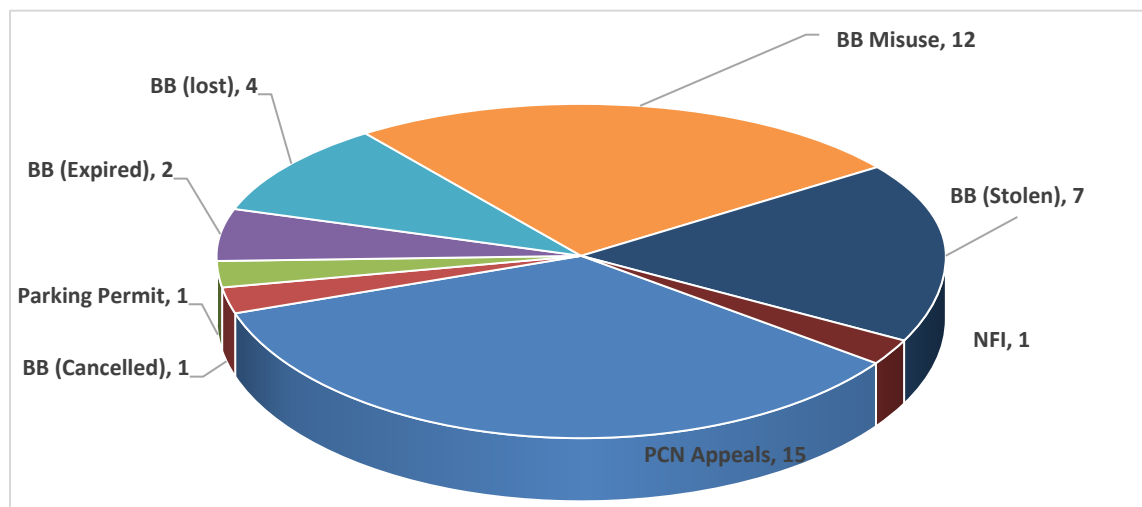
\* Where the circumstances of the misuse are such that criminal sanction is not appropriate, an example would be a badge holder using their own expired badge whilst waiting for a new badge to be issued

**32** Insufficient Evidence

**12** No Fraud

**2** Referred for Disciplinary Action

## On-going Investigations



## Pro-Active areas of work

The Concessionary Travel Fraud team carried out **three** pro-active intelligence led blue badge street operations targeting areas of blue badge misuse. This resulted in **137** blue badges being checked, **14** new cases to be investigated where misuse / fraud was identified, and **9** badges were seized from offenders. **11** Penalty Charge Notices (PCN)'s were given by the Parking Enforcement Officers from NSL Services.

## 27 Simple Cautions were administered by the CAFT.

*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. All of the cases that were cautioned related to instances of straight forward misuse that took place. These include situations where errands were being run by family members on behalf of the badge holder such as the collection of medication or food. The offenders stated that they had the badge holder's permission and believed that the badge could be used for such action. However, when the Blue Badge scheme was explained to them, they realised that their actions fell outside of what was permitted. In such cases and in accordance with our policy the council can issue a simple caution rather than pursue the matter through the courts.*

## Noteworthy Concessionary Travel Cases

**Case 1** – Relates to the use of a counterfeit blue badge. Mr K was found to be using a photocopy of a family members blue badge, he admitted to misusing the badge but denied any knowledge of the badge being counterfeit and stated this is how the badge had been received from the issuing authority. The matter went to court where he plead guilty, and was sentenced to a fine of **£738**, A victim surcharge of **£295** and ordered to pay council costs of **£1,331**.

**Case 2** – Ms C's vehicle was observed displaying a blue badge that had been reported stolen according to the blue badge database. When CAFT officers approached the driver, she drove away without engaging. CAFT inquiries confirmed her identity and also identified a number of occasions where the vehicle had been displaying different stolen blue badges. During her CAFT interview Ms C stated she had found the badge and mistakenly put it on display instead of her disabled family members badge, when presented with the additional offences she declined to make any comment. The matter was sent to court and Ms C pleaded guilty to 3 offences of theft and one of misuse, she was sentenced to a **£500** fine for the



misuse, **£120** for each of the 3 theft offences and a victim surcharge of **£344**, she was also ordered to pay council costs of **£500**.

**Case 3** – Mr E's vehicle was observed by a CAFT officer displaying what was identified as a stolen blue badge. Mr E was interviewed under caution and claimed that he had found the badge and that he had only used it on that one occasion, when questioned further he admitted to using the badge on several occasions. The matter was taken to court where Mr E pleaded guilty to both theft by finding and misuse of a disabled badge. He was sentenced to a fine of **£120**, a victim surcharge of **£48** and ordered to pay council costs of **£953**.

**Case 4-** Ms F's vehicle was observed by CAFT officers displaying a disabled badge, enquiries made at the roadside confirmed that the 85-year-old badge holder had passed away. The driver was subsequently identified and invited to attend an interview under caution. During the interview she admitted to wrongly using her deceased father's blue badge. Ms F pleaded guilty at Court, where she was sentenced to a fine of **£250**, a victim surcharge of **£100** and was ordered to pay council costs of **£600**.

In addition to the above there were **4** other cases that were prosecuted under similar circumstances which resulted in similar outcomes with costs of **£1,350.50** being awarded.

# TENANCY FRAUD

The Tenancy Fraud team, identify, investigate, prevent, and sanction those persons that commit Tenancy Fraud in Barnet. They, ensure a maximum return of properties back to the Council and Social Housing Partners where Tenancy Fraud has been proven.

There have been **328** cases dealt with in the first half of the year relating to Tenancy Fraud

**105** cases carried forward from 2022-23

**148** New Fraud referrals received.

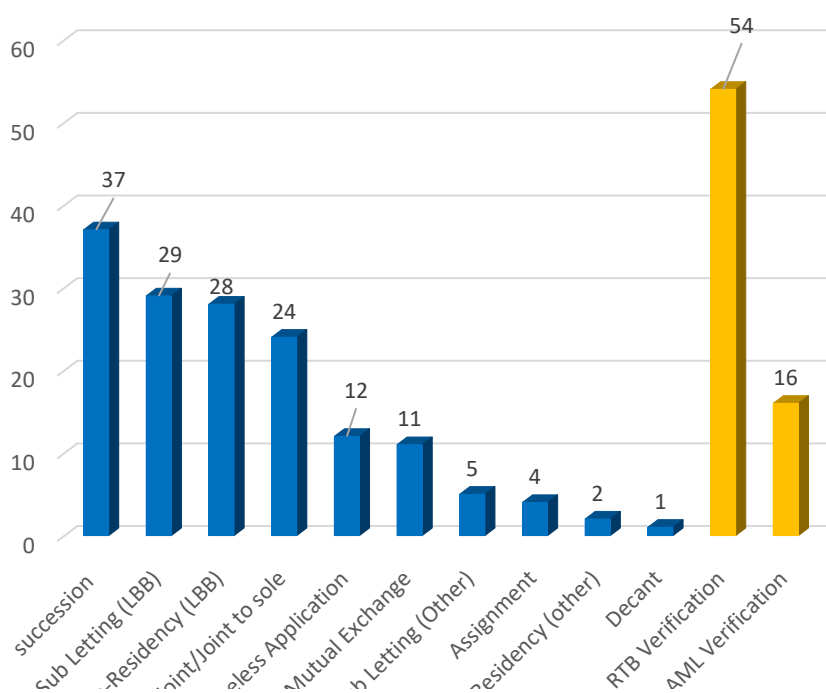
**70** Right to buy applications for verification.

**5** New Open-Door Homes referrals received.

**226** Cases were closed

**102** on-going investigations.

## New Fraud Referrals / RTB Verification Requests received first half of the year



The majority of new **tenancy fraud referrals** related to properties in Burnt Oak ward with a total of **17.6%** of new cases in those areas.

There has been an increase in referrals relating to subletting with a **47.8%** increase compared to this point last year.

## Closed cases

**13** Properties Recovered (Keys Returned)

**1** Property Recovered (Civil Recovery) (council Costs awarded £482)

**5** Prosecutions (including property recovery) (Costs £2,792, Compensation £8,900)

**7** RTB Applications Cancelled

**19** RTB AML Checks Satisfied

**75** Housing Applications verified

**2** Assignment Application denied

**2** Mutual exchange Application denied.

**1** Formal Caution

**46** Right to Buy Applications Verified

**4** Homeless Application denied.

**4** RTB AML checks not satisfied.

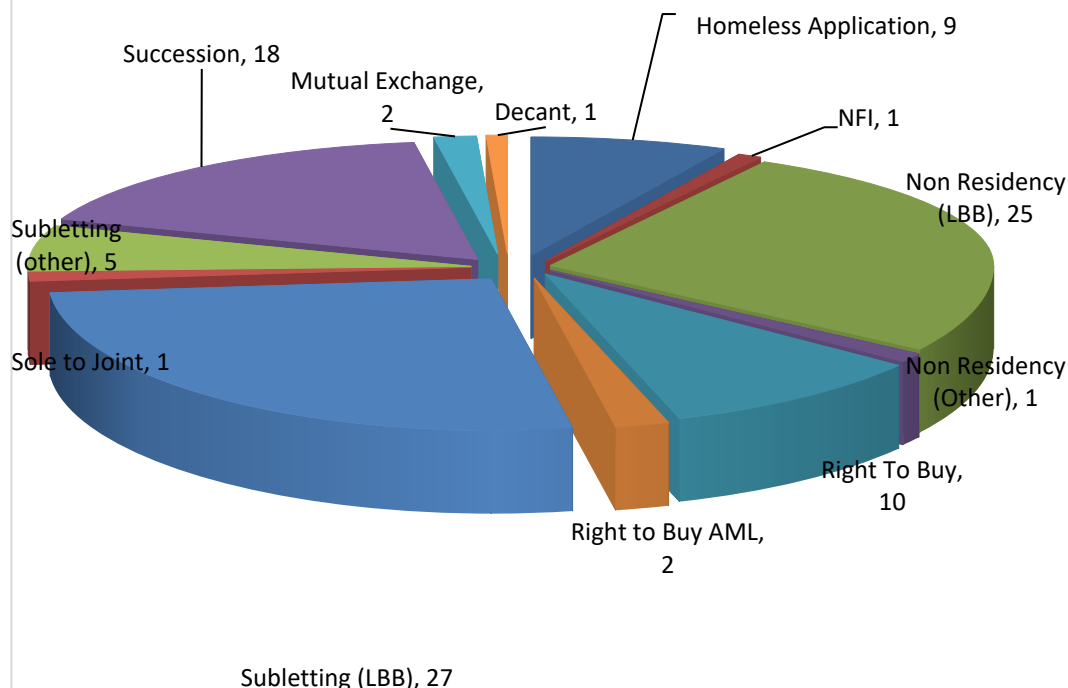
**2** Sole to joint Application denied.

**8** Insufficient Evidence

**37** No Fraud identified.

## On-going Investigations

### Areas of investigation for on-going cases



- 27 Subletting (LBB)
- 25 Non-residency (LBB)
- 18 Successions
- 10 Right to Buy
- 9 Homeless Applications
- 5 Subletting (other RSL)
- 2 RTB AML
- 2 Mutual Exchange
- 1 Sole to joint tenancy application
- 1 NFI (Housing Application)
- 1 Decant
- 1 Non-residency (Other)

As a result of CAFT investigations **7** Right to Buy applications were stopped resulting in the properties being retained in council housing stock. Had the purchases been allowed to continue, LB Barnet would have offered a discount of £127,900 on each property. This equates to the authority retaining an asset value of **£895,300**.

**19** properties (1 Studio, 6 x 1 bed, 7 x 2 bed and 5 x 3 bed) were recovered during the first half year of 2023-24. This equates to a saving in temporary accommodation costs of **£837,826**.

**18** Cases are with legal. **12** of which are awaiting civil action. **1** is for criminal action due to sub-letting. **1** prosecution for a false Right to Buy application **4** possession orders granted by the court awaiting eviction dates.

### Pro-Active areas of work

During the first half year, the Tenancy Fraud team carried out a pro-active exercise looking at properties where the tenants were over the age of 92. The team looked at 89 tenancies as part of this review. Evidence obtained showed one tenant was abroad and had been since May 2022. The family insisted the tenant was resident at the social housing address, however

when informed of the evidence they admitted the tenant would not be coming back to the UK and returned the keys to the property.

## Noteworthy Tenancy Fraud Cases

**Case 1** – Mr A and Mrs S had a three-bedroom flat in Barnet, a referral was received from the Metropolitan Police who stated Mrs S had been arrested at a property which was not the social housing property where she was a tenant. She stated at the time of arrest that the address was her main residence. The police also confirmed her partner Mr A was in prison. The CAFT investigation found Mr A owned the property where Mrs S was arrested and was in fact living there whilst sub-letting her social housing property between July 2017 and March 2020. CAFT evidence showed that Mrs S had been receiving £800 per month in rent. In an interview under caution Mrs S provided a pre-prepared statement through her solicitor admitting she moved into the property owned by Mr A in 2017. Mr A stated in his interview he had nothing to do with the social housing property even though he was a joint tenant. The keys to the property were returned and the property recovered. Due to the evidence obtained during the investigation the case was passed to legal for prosecution. During the hearing at Harrow Crown Court Mr A pleaded guilty to sub-letting and admitted culpability for the offence of subletting, he was sentenced to 8 months imprisonment.

**Case 2** – Mr S and Mrs S M had a two-bedroom flat in Cricklewood. As part of a proactive exercise CAFT officers conducted an un-announced visit to the property. A gentleman answered the door and stated he was the tenant, however a CAFT investigation revealed that he was the sub-tenant of Mr S. The sub-tenant provided a witness statement and tenancy agreement confirming he had been renting the property from Mr S since October 2019 and paying £800 per month rent. Evidence obtained confirmed this and identified that Mr and Mrs S were living in Northampton. Mr S was interviewed under caution and denied sub-letting, he claimed when he works nights in London, on a 3 day on and 3 days off rota, his wife stays in Northampton to look after the children and when he goes back home, she returns to London. However, phone data evidence contradicted this and confirmed both Mr S and his wife living in Northampton and not returning to London at any time. Mrs S was interviewed under caution and stated she had split up with her husband 6 years ago and was living at the tenancy address as her main home, evidence obtained showed this not to be true. The keys to the property were returned and property recovered. The matter was passed to legal for prosecution. Both Mr and Mrs S pleaded guilty at Willesden Magistrates Court to sub-letting offences and were sentenced to a 4-month custodial sentence, suspended for 18 months and ordered to pay **£3,000** compensation to Barnet Council.

**Case 3** – Ms H had a two-bedroom flat in Friern Barnet, a CAFT investigation started following an anonymous referral, alleging that Ms H had been sub-letting her social housing property for over five years. Evidence obtained during the investigation found that Ms H had been sub-letting her social housing property to a number of different people from 1 January 2016 to 31 October 2022 whilst living with her Partner in Bromley. Ms H was interviewed under caution where she denied any wrongdoing, however when the evidence was put to her, she admitted to sub-letting the property. Ms H returned the keys, and the property has been recovered. Due to the period of time Ms H had sub-let the property and the financial loss to Barnet Council, it was deemed to be in the public interest to carry out criminal proceedings against her. At Willesden Magistrate Court Ms H pleaded guilty to sub-letting, she was sentenced to 150 hours unpaid work, ordered to pay **£3,000** compensation and costs of **£2,420.63**.

**Case 4** – Mr M had a one-bedroom flat in Barnet, a CAFT investigation started due to a referral received from Barnet Homes stating the tenant was living abroad, evidence obtained found the tenant had been in Turkey for 11 months whilst allowing 'friends' to stay at the social housing property. Mr M denied any wrongdoing. The matter was referred to legal for a civil hearing for possession of the property. The matter was heard at Barnet County Court where an outright possession order was granted. An eviction took place, and the property was recovered.

**Case 5** – Ms L had a one-bedroom house in Colindale, the case was referred to CAFT by Barnet Homes following a forced entry by the Gas Safety Team. Observations from the forced entry were consistent with a property being abandoned. The following investigation found evidence that Mr L had not been resident at the social housing property since the start of the tenancy which started on 13 December 2019. Mr L has mental health and substance abuse issues and is now living with his brother to receive the help he needs. Mr L returned the keys as he no longer needed it and the property was recovered.

**Case 6** – Miss F had a studio-flat in Mill Hill, a referral was received by CAFT from the lodger of the tenant's mother. It was alleged the tenant had not been residing at her social housing tenancy and had in fact been residing with her mother since she was given the property. Evidence obtained would suggest the tenant had been sub-letting her social housing property with payments of rent going into her mother's account in a bid to hide the fraudulent activity. During an interview under

caution Miss F denied the allegations despite the evidence and witness statements that had been obtained. The matter went to both civil court and criminal courts. A hearing at Barnet County court resulted in an outright possession order being granted which led to an eviction process to recover the property. At Harrow Crown Court Miss F pleaded not guilty, however after a trial, she was found guilty and sentenced to 4 months in prison which was suspended for 18 months and ordered to pay £500 compensation to Barnet council.

**Case 7** – Miss O had a three-bedroom house in Edgware, a referral was received from a Barnet Homes housing officer, who had received information from a neighbour stating the property had pest issues, however checks by the housing officer showed the tenant had not made the complaint themselves. The matter was passed to CAFT where the investigation found that the tenant was living in Dunstable whilst sub-letting the social housing property for approximately 10 years. During an interview under caution Miss O denied any offences of sub-letting and insisted she lived at her tenancy address, but decided to return the keys and the property was recovered. Due the offence the matter was referred to legal for prosecution, at Harrow Crown Court Miss O pleaded guilty and was sentenced to 22 months imprisonment suspended for 22 months. She was also ordered to pay **£2,400** compensation to the council.

# FINANCIAL INVESTIGATIONS (FI)

A Financial Investigation under the Proceeds of Crime Act 2002 (POCA) ensures that any person(s) subject to a criminal investigation by Barnet do not profit from their criminal actions.

There have been **11** cases dealt with in the first half of the year relating to financial investigation.

**9** cases carried forward from 2022-23

**2** New FI Cases opened.

**1** FI case closed

**10** on-going FI investigations.

## New Referrals

**1** Is a POCA investigation relating to a Right to Buy Fraud case.

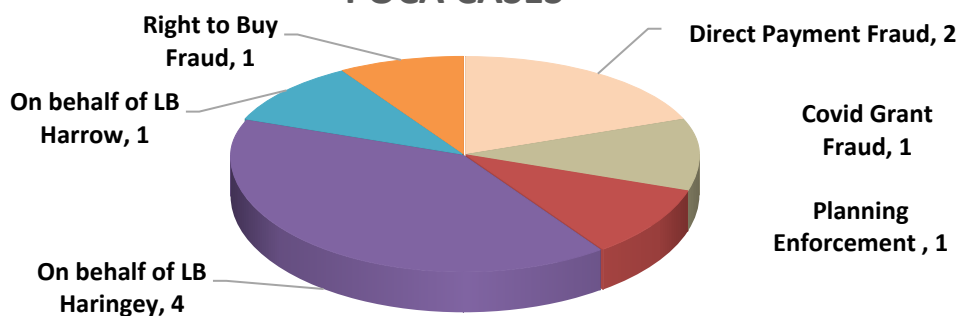
**1** Is a POCA investigation relating to a Direct Payment Fraud case.

## Closed cases

**1** Insufficient Assets

## On-going investigations

### AREAS OF INVESTIGATION FOR ON-GOING POCA CASES



4 On behalf of LB Haringey
2 Direct Payment Fraud
1 Planning Enforcement
1 On behalf of LB Harrow
1 Covid Grant Fraud
1 Right to Buy Fraud

Under the Government's incentivisation scheme funds confiscated from criminals is shared as follows:

- 50% is allocated to the Treasury
- 12.5% is allocated to the courts
- **30% is allocated to LBB as the investigating authority**
- From this allocation, **6.5%** is taken by the Asset Recovery Agency (ARA) for the administration of the funds

In addition to this scheme and in relation to the 30%, CAFT had local agreements in place with other Local Authorities with regard to each investigation, therefore some of this share is split further dependent on the

agreement in place. For POCA cases relating to LBB services the full 30% share is retained after the deduction of the Asset Recovery Agency's administration costs.

**Under this scheme, the total allocation amount received from the ARA after relevant deductions so far this year amounts to £31,594.43. £4,573 of this is to be paid to other local authorities as per MOUs. LBB to retain £27,021.43. These amounts are part recoveries of planning cases from Haringey Council and Barnet planning cases. The details of these cases will be reported once the financial recoveries are completed.**

Details of cases where confiscation orders are awarded will be reported as and when they occur or at conclusion of the investigation.