

Mutual Exchange Policy



Reference:	HS_POL_HOU_MEX_2.0	Author:	Neighbourhood Team Manager
Scope:	Housing Solutions	Approved by:	Executive Team
Legislation:	Localism Act 2011 Housing Act 1985 & amended 2004 Equality Act 2010 UKGDPR 2021 Data Protection Act 2018	Date of approval:	August 2023
Regulatory/ Governance:	Regulator of Social Housing Tenancy Standard	Date of next review:	August 2026
Related Policies:	Succession Policy Assignment Policy Tenancy Policy Equality, Diversity & Inclusion Policy		

1. Policy Statement

1.1 Housing Solutions proactively promotes mutual exchange as a way of encouraging customer mobility and sees it as an important means for many customers to be able to find a home more suitable for their needs. We will assist and support tenants in their search for suitable exchange partners and to facilitate a speedy and smooth exchange of properties where the exchange is agreed.

1.2 Our Mutual Exchange Policy helps us to deliver our corporate and strategic aims by:

- Encouraging tenants to register with services that facilitate mutual exchanges, including internet-based services
- Publicising the availability of mutual exchange services and advising tenants of any new services when we become aware of them
- Helping to ensure the best use of our stock and to improve flexibility for our customers
- Ensuring tenants are aware of their responsibilities in finding and inspecting a mutual exchange property
- Making tenants aware of our responsibility to provide assistance and support to tenants who are seeking a mutual exchange
- Ensuring mutual exchanges are only carried out with the written consent of the landlords and in accordance with legislation

2. Scope

- 2.1 This policy applies to all eligible social rented tenants of Housing Solutions.
- 2.2 Secure tenants have a statutory right to exchange.
- 2.3 Assured tenants, including Assured Tenants with protected rights, have a contractual right to exchange.
- 2.4 Assured Shorthold Fixed Term Tenants who have completed the probationary period of their tenancy have a contractual right to exchange.
- 2.5 Assured Shorthold and Starter Tenants have no mutual exchange rights.
- 2.6 Extra Care Tenants have limited mutual exchange rights depending on the scheme.
- 2.7 This policy does not apply to Shared Ownership homes, licences and residential or commercial leases.

3. Definitions

- 3.1 Our Tenancy Policy sets out the **types of tenancy** available and the criteria for their eligibility and use.
- 3.2 **Mutual exchange** is the term used when two (or more) eligible tenants decide to swap tenancies with the written consent of their landlord(s).
- 3.3 Each tenant's **tenancy agreement** describes the rights and obligations for exchanging their tenancy.
- 3.4 Tenants will be advised at an early stage in the process to seek independent legal advice, so they are aware of any loss of rights or other implications resulting from a change in their tenancy status.
- 3.5 Except in limited circumstances described in Appendix B, mutual exchange will be by a **deed of assignment** (see our Assignment Policy).
- 3.6 Tenants whose secure or assured tenancy predates 1 April, 2012 will retain similar security of tenure to that of their original tenancy and the exchange will take place by the **surrender of the tenancy and regrant** (see Appendix B). These provisions do not apply where an existing secure or assured tenant chooses to exchange with someone with a:
 - Fixed-term tenancy of less than 2 years;
 - Periodic assured short-hold tenancy;
 - Tenancy at an affordable rent.
- 3.7 If a tenant does not obtain our written consent or if the application to exchange has been withheld or rejected but the tenants still sign a Deed of Assignment and move properties, the exchange will be a breach of tenancy and we can seek possession. If no deed of assignment has been signed then no transfer of tenancies has taken place even if the tenants physically swap properties.

3.8 In these circumstances we will consider:

- Making the exchange legal by completing new tenancy agreements or deeds of assignment and licence to assign forms retrospectively;
- Demanding the tenants return to their original homes; or
- Serving notice and seeking possession

4. Legislation

- 4.1 The Housing Act 1988 includes an implied term that assured tenants may not assign their tenancy without consent of the landlord.
- 4.2 Exchanges involving either secure or assured tenants may be refused on grounds listed in Schedule 3 of the Housing Act 1985, while the grounds for refusal for exchanges involving a fixed term tenant are listed in Schedule 14 of the Localism Act (see Appendix A).
- 4.3 This Policy is provided in accordance with the Regulator of Social Housing's Tenancy Standard.

5. Our Roles and Responsibilities

Board	Responsible for delegating approval of this policy to Executive Team.
Executive Team	Responsible for approving this policy and overseeing compliance with this policy.
AD Housing & Resident Engagement	Responsible for overseeing the operational delivery and service quality of mutual exchange applications and reviewing regularly the appropriateness and reasonableness of the appeal and mutual exchange decisions.
Neighbourhood Team Manager	Responsible for the implementation of this policy; management of the Neighbourhood Team in processing mutual exchange applications and hearing appeals against a decision on a mutual exchange application.
Neighbourhood Team Leader	Responsible for ensuring compliance with this policy, the management of the Neighbourhood Team in processing succession applications, and for approving applications.
Housing Officers	Responsible for the receiving, assessing and processing mutual exchange applications.
Lettings and Allocation Officers	Responsible for supporting Housing Officers in processing mutual exchange applications, ensuring tenancy records are updated on our software systems and any appropriate documents are properly completed and signed.
Customer Contact Centre	Responsible for receiving and dealing with general enquiries about mutual exchange applications and transferring residents to Housing Liaison Officers for further information and support.

6. Requesting a mutual exchange

- 6.1 We will assist and support tenants seeking a mutual exchange. However, the tenant will always be responsible for choosing the exchange partner and viewing the property

before requesting an exchange.

- 6.2 We continue to subscribe to HomeSwapper, or similar online exchange service, which is free for our tenants to register with and use to help find an exchange partner.
- 6.3 Subject to landlord repair obligations and any breaches of tenancy, all partners agree to accept the condition of the property as seen when they carry out a mutual exchange.
- 6.4 We will arrange for an inspection of our properties involved in the exchange. Where the tenant is responsible for damage or improvements we would not otherwise authorise, we will require some or all of these to be put right before an exchange will be agreed.
- 6.5 We will carry out gas safety and electric safety checks before the exchange completes. Safety certificates will be provided to new residents and a copy held on the in-house asset management system.
- 6.6 If works are required, the mutual exchange will be approved conditionally until the works have been completed and the gas safety and electrical safety certificates have been issued. If the outgoing tenant does not give access for such inspections, as they are required to do under their tenancy agreement, the exchange will be delayed until the tenant complies.
- 6.7 Both exchange partners must have the written consent of their landlord to carry out an exchange. Where consent is given the mutual exchange will take place through assignment or in certain circumstances by both tenants surrendering their existing tenancies followed by the granting of new tenancies (see Appendix B).
- 6.8 Where the right to exchange is provided by the tenancy agreement rather than statute, we will not unreasonably withhold consent. We are guided by the statutory grounds for refusal and whether:
 - The incoming tenant is able to afford the property following a financial assessment
 - The property has been identified for disposal after the current tenancy has ended
 - There is evidence about the incoming tenant, or a member of their household, causing anti-social behaviour or being involved in unlawful activity or other significant breach of tenancy but where no court order or notice of seeking possession has been issued
 - We have previously had to evict or obtain an injunction against the proposed incoming tenant or a member of their household
 - The incoming tenant will over occupy the property by one bedroom or more
 - The incoming tenant would under occupy the property by one or more bedrooms
 - The property has been adapted and the tenant is unable to provide a report from an occupational therapist to confirm they require the adaptations
 - The incoming tenant has pets which would not be allowed under the tenancy agreement
 - The incoming tenant owns or has an interest in another property other than the property they are swapping.
- 6.9 We will notify the partners of our decision on a proposed exchange within 42 days of receipt of the request. If the decision is to reject an application for an exchange we will give the reason for withholding consent. If we fail to respond within 42 days, consent cannot then be withheld.

6.10 Approval is subject to:

- Compliance with any outstanding obligation of the tenancy
- Payment of any outstanding rent, repairs charges and/or service charge
- Access to carry out a survey or gas and electric safety checks

6.11 Applicants may make an appeal should their application for a mutual exchange be refused. Additional information should be provided in support of their appeal and this will then be considered by the Neighbourhood Team Manager.

6.12 Appeals must be received in writing within ten working days of the original decision being communicated to the customer. The Neighbourhood Team Manager will investigate the reasons of the refusal and will advise the applicant in writing of their decision. This process will be concluded within ten working days. The decision of the Neighbourhood Team Manager will be final.

6.13 This appeal process does not interfere with the individual's right to make a complaint to the Housing Ombudsman.

7. Equality & Diversity

7.1 We recognises the needs of a diverse population and always acts within the scope of its own Equality and Diversity Policy, and Equalities Act 2010. Housing Solutions works closely with its partners to ensure it has a clear understanding of its resident community with clear regularly updated service user profiles. HS will record, analyse and monitor information on ethnicity, vulnerability and disability.

8. Confidentiality

8.1 Under the Data Protection Act 2018, UK General Data Protection Regulation (UKGDPR), all personal and sensitive organisational information, however received, is treated as confidential. This includes:

- anything of a personal nature that is not a matter of public record about a resident, client, applicant, staff or board member
- sensitive organisational information.

8.2 Housing Solutions employees will ensure that they only involve other agencies and share information where there is a legal basis for processing the information.

9. Review

9.1 This policy will be reviewed on a three-yearly basis or more frequently in response to changes in legislation, regulatory guidance, good practice or changes in other relevant Housing Solutions' policy.

9.2 Our performance in relation to the delivery of the services and activities set out in this policy will be monitored on an ongoing basis through our established reporting mechanisms to our Leadership Team, Executive Team, Board and associated committees.

Appendix A

Grounds for Refusal to Exchange

Schedule 3 of the Housing Act 1985	Schedule 14 of the Localism Act 2011	Grounds for refusing consent to the exchange
-	Ground 1	When any rent lawfully due from a tenant under one of the existing tenancies has not been paid.
-	Ground 2	When an obligation under one of the existing tenancies has been broken or not performed.
Ground 1	Ground 3	A court order for possession or a suspended possession order has been made for either property.
Ground 2	Grounds 4 and 5	The landlord has served a notice of seeking possession and the notice is still in force, or possession proceedings have commenced.
Ground 3	Ground 7	The property is substantially larger than is reasonably needed by the proposed assignee.
Ground 4	Ground 8	The property is not reasonably suitable for the needs of the proposed assignee and their household.
Ground 5	Ground 9	The property is part of or close to a building that is held for non-housing purposes, or it is situated in a cemetery and was let in connection with employment with the landlord or with a local authority, a new town corporation, housing action trust, an urban development corporation or the governors of a grant-aided school
Ground 6	Ground 10	The landlord is a charity and the proposed assignee's occupation of the property would conflict with the objects of the charity.
Ground 7	Ground 11	The property has been substantially adapted for occupation by a physically disabled person and, if the assignment was approved a physically disabled person would not be living there.
Ground 8	Ground 12	The landlord lets properties to people in difficult circumstances (other than merely financial circumstances) and the proposed assignee would not fulfil this criteria.
Ground 9	Ground 13	The property is let to people with special needs and there is a social service or special facility nearby to the properties to assist people with those special needs and, if the assignment was approved no person with those special needs would be living there.

Schedule 3 of the Housing Act 1985	Schedule 14 of the Localism Act 2011	Grounds for refusing consent to the exchange
Ground 10	Ground 14	The dwelling is the subject of a management agreement whereby the manager is a housing association of which at least half the members are tenants subject to the agreement and at least half of the tenants of the dwellings are members of the association and where the proposed assignee is not such a member nor is willing to become one.
Additional ground (Housing Act 1985)	Ground 6	One of the following in junction orders (under section 153 of the Housing Act) is in force either against the tenant and/or the proposed person who resides with them: <ul style="list-style-type: none"> • anti-social behaviour order • a demotion order • an order under ground 2 for secure tenancies • an order under ground 14 for assured tenancies.

Appendix B

Deed of assignment or surrender and re-grant

- Tenants whose secure or assured tenancy predated 1 April 2012 will retain similar security of tenure to that of their original tenancy.
- These provisions do not apply where an existing secure or assured tenant chooses to exchange with:
 - Someone with a fixed term tenancy of less than 2 years
 - Someone with a tenancy at an affordable rent.
- In options 2 and 3 in the table below, we can offer the incoming tenant a 5-year fixed term tenancy.
- At the point of exchange we have to charge the same rent to the incoming tenant.
- When a mutual exchange takes place the exchange partners 'swap' their tenancies. There may be some differences as follows:

Status before exchange			Status after exchange		
Option	Household 1	Household 2	Household 1	Household 2	Method of exchange
1	Protected lifetime tenancy	Protected lifetime tenancy	Protected lifetime tenancy	Protected lifetime tenancy	Assignment
2	Protected lifetime tenancy	Fixed term social tenancy	Protected lifetime tenancy	Fixed term or lifetime tenancy (not protected) at landlord's discretion.	Surrender and re-grant new tenancy
3	Protected lifetime tenancy	Fixed term affordable tenancy	Fixed term affordable tenancy.	Fixed term or lifetime tenancy (not protected) at landlord discretion. Social rent.	Surrender and re-grant new tenancy
4	Fixed term social tenancy	Fixed term social tenancy	Fixed social tenancy with remaining tenancy length of household 2.	Fixed term social tenancy with remaining tenancy length of household 1	Assignment
5	Fixed term	Fixed term	Fixed term	Fixed term	Assignment

	social tenancy	affordable tenancy	affordable rent tenancy with remaining tenancy length from household 2.	social tenancy with remaining tenancy length from household 1.	
6	Fixed term affordable tenancy	Fixed term affordable tenancy	Fixed term affordable tenancy with remaining tenancy length from household 2.	Fixed term affordable tenancy with remaining tenancy length from 1.	Assignment

Appendix C

Mutual Exchange Inspection Checklist

When assessing whether a tenant satisfies the criteria for mutual exchange, particularly in respect of the property inspection the following checklist should be complete.

A final decision to approve / not approve must be made within 42 days (six weeks) of receiving a completed mutual exchange application.

If the criteria for mutual exchange is unlikely to be met within 42 days the application must be refused and the applicant can re-apply once the criteria has been met.

Rent Account

Is the rent account debt free?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
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Room by room

Room		Repairs
Front door	Working order? Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	
Rear door	Working order? Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	
Hallway & Stairs	Good condition <input type="checkbox"/> Satisfactory <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Are there any signs of damp or mould? Yes <input type="checkbox"/> No <input type="checkbox"/> Are the following in good working condition? Windows Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Handrail Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Lighting including plugs & sockets Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Flooring Yes <input type="checkbox"/> No <input type="checkbox"/> Walls free from cracks & holes Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	
Living room	Good condition <input type="checkbox"/> Satisfactory <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Are there any signs of damp or mould? Yes <input type="checkbox"/> No <input type="checkbox"/> Are the following in good working condition? Windows Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Lighting including plugs & sockets Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Flooring Yes <input type="checkbox"/> No <input type="checkbox"/> Walls free from cracks & holes Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	
Bathroom	Good condition <input type="checkbox"/> Satisfactory <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Are there any signs of damp or mould? Yes <input type="checkbox"/> No <input type="checkbox"/> Are the following in good working condition? Windows Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> UC Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Basin Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Bath Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Shower Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Extractor fans Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Lighting including plugs & sockets Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Flooring Yes <input type="checkbox"/> No <input type="checkbox"/> Walls free from cracks & holes Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	

Kitchen	<p>Good condition <input type="checkbox"/></p> <p>Satisfactory <input type="checkbox"/></p> <p>Unsatisfactory <input type="checkbox"/></p> <p>Are there any signs of damp or mould? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Are the following in good working condition?</p> <p>Windows Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Cupboards doors & handles Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Extractor fans Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Lighting including plugs & sockets Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Flooring Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Walls free from cracks & holes Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>	
Bedroom 1	<p>Good condition <input type="checkbox"/></p> <p>Satisfactory <input type="checkbox"/></p> <p>Unsatisfactory <input type="checkbox"/></p> <p>Are there any signs of damp or mould? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Are the following in good working condition?</p> <p>Windows Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Lighting including plugs & sockets Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Flooring Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Walls free from cracks & holes Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>	
Bedroom 2	<p>Good condition <input type="checkbox"/></p> <p>Satisfactory <input type="checkbox"/></p> <p>Unsatisfactory <input type="checkbox"/></p> <p>Are there any signs of damp or mould? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Are the following in good working condition?</p> <p>Windows Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Lighting including plugs & sockets Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Flooring Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Walls free from cracks & holes Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>	
Bedroom 3	<p>Good condition <input type="checkbox"/></p> <p>Satisfactory <input type="checkbox"/></p> <p>Unsatisfactory <input type="checkbox"/></p> <p>Are there any signs of damp or mould? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Are the following in good working condition?</p> <p>Windows Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Lighting including plugs & sockets Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Flooring Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Walls free from cracks & holes Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>	
Bedroom 4	<p>Good condition <input type="checkbox"/></p> <p>Satisfactory <input type="checkbox"/></p> <p>Unsatisfactory <input type="checkbox"/></p> <p>Are there any signs of damp or mould? Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Are the following in good working condition?</p> <p>Windows Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Lighting including plugs & sockets Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p> <p>Flooring Yes <input type="checkbox"/> No <input type="checkbox"/></p> <p>Walls free from cracks & holes Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/></p>	

External	Good condition <input type="checkbox"/> Satisfactory <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> <i>Is the outside perimeter fencing / boundaries secure?</i> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> <i>Are there any missing fence panels? Yes <input type="checkbox"/> No <input type="checkbox"/></i> <i>Is there a private garden? Yes <input type="checkbox"/> No <input type="checkbox"/></i> <i>Is there a shared communal garden? Yes <input type="checkbox"/> No <input type="checkbox"/></i> Is there any garden clearance required? Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/> Is there any external storage? Yes <input type="checkbox"/> No <input type="checkbox"/>	
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Additional checks

Is there any redecoration required?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are there any re charges to be applied?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Are there any unauthorised changes that create partitions or structures e.g Extensions, loft conversion, extra rooms	Yes <input type="checkbox"/> No <input type="checkbox"/>
Do windows above ground floor have window restrictors?	Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
Have you checked behind doors & pictures where possible?	Yes <input type="checkbox"/> No <input type="checkbox"/>
Reminder to remove any items in the loft or recharge	Yes <input type="checkbox"/> No <input type="checkbox"/>

Outgoing tenant(s) shall be responsible for carrying out the following repairs, removals/clearance:

Room:	Description:	Due by:

Please note:

- That the above repairs, removals/clearance must be completed and meet our minimum void standard prior to the above date.
- That the property must be left in a clean state throughout.
- **Incoming tenant(s) to accept full responsibility for the future maintenance, repairs and subsequent replacement of the following gifted items:**

Housing Solutions will carry out the following works:

Please note that the kitchen and bathroom are scheduled to be renewed:

Kitchen:	Bathroom:
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Incoming tenant(s) to the above-named property must also accept and take note of the following:

The condition of the property and any adjoining garden to the premises is accepted as agreed. This includes the condition of the existing wall and ceiling finishes, including decorations, throughout the entire property, and the responsibility for filling minor cracks and holes to walls and ceilings when carrying out redecoration works. Housing Solutions are not responsible for any internal redecorations in the property.

Housing Solutions are not responsible for any items left within the property or adjoining garden. It is the responsibility of the outgoing tenant(s) to remove any items. Any issues in relation to this must be discussed with the tenant(s) you are exchanging with.

Housing Solutions are not responsible for the cleanliness of the property. The outgoing tenants should thoroughly clean the property before the exchange goes ahead. If you are unhappy with the cleanliness of the property you are moving to, you must raise this with the tenant(s) you are exchanging with.

Please note that by signing the declaration you are confirming that you accept and agree to the conditions of the exchange as detailed in this document.

Declaration of incoming tenant(s):

I / we have read and accept the contents of this document.

Name(s):

Current Address:

Address Moving to:

Signature(s):

Declaration of outgoing tenant(s):

I/we have read and accept the contents of this document.

Name(s):

Current Address:

Address Moving to:

Signature(s):

Housing officer in Attendance

Name:

Signature:

Surveyor in Attendance

Name:

Signature: