



Mutual exchange policy

Housing department



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Section 1: Introduction

- 1.1 South Cambridgeshire District Council (SCDC) recognises that the ability to exchange tenancies can be highly beneficial in providing mobility to tenants.
1. Moving to a new home can provide a tenant with a whole host of benefits. For example, it may give them a more suitable property for their needs, they can be closer to their job or it may provide more work opportunities and / or they can be closer to family. This can also be beneficial to us as a housing provider, as it can assist in maximising the use of our stock by meeting both the need and desire of tenants.
- 1.3 Mutual exchanges can take place between two (*or more*) SCDC secure / fixed-term tenants or between any other assured or secure/flexible tenant – providing written consent is obtained from both landlords.
- 1.4 Guidance and advice for people considering a mutual exchange is available in our leaflet, which is available on our website or upon request from a member of staff (*see 4.3 for more information*).

Section 2: Scope & Purpose

- 2.1 This policy applies to all tenants that hold a tenancy with SCDC, or those seeking to exchange a tenancy with an SCDC tenant. Tenants that hold an introductory, temporary or demoted tenancy do not have the right to complete a mutual exchange.
- 2.3 The purpose of this policy is to:
 - Promote and support mobility for our tenants.
 - Provide guidance on how a mutual exchange must take place.

Section 3: Exchange eligibility

- 3.1 The SCDC tenancy agreement outlines tenants' rights to exchange their home. The most recent version of the agreement states;

“If you are a secure or flexible tenant, you can exchange homes with another South Cambridgeshire District Council tenant or a tenant of a housing association or another local council but you must get our permission in writing first. This is called an exchange. Provisions in the Localism Act 2011 ensure that exchanging tenants retain similar security of tenure to that of their original tenancy“.

Reference your tenancy agreement: Section 10 for tenancies signed up post 2012, Section 7 for tenancies signed up before 2012.



3.2 Introductory tenants or demoted tenants are not able to carry out mutual exchanges.

Section 4: Applying for a mutual exchange

- 4.1 Tenants can find a mutual exchange partner by registering on 'exchange locata'. This can be done by logging on to the 'Home-Link' website and clicking on the 'mutual exchange' menu option. Registering on exchange locata is free for South Cambridgeshire District Council tenants and provides the ability to advertise their property and find a potential mutual exchange partner; both locally and nationally.
- 4.2 Tenants may also utilise other avenues to source a mutual exchange, such as advertising in local shops, newspapers, online or utilising other mutual exchange websites (*please note that some of these may require a fee*).
- 4.3 Guidance and advice for people considering a mutual exchange is available in our leaflet, which includes advice on;
- Tips for creating a good mutual exchange advert
 - Health and safety considerations when arranging viewings etc.
 - Things to think about when deciding upon the completion of a mutual exchange
- 4.4 Once a tenant has found a suitable mutual exchange partner, a mutual exchange application form needs to be completed by both parties involved in the exchange.
- 4.5 SCDC must serve notice on the tenant within 42 (*forty-two*) days of receiving the application form, should SCDC intend to withhold consent on any of the grounds set out in Schedule 3 of the Housing Act (1985) or Schedule 14 of the Localism Act (2011). See section 8 for more information about reasons for refusal.

Section 5: Property inspection

- 5.1 All mutual exchanges will be subject to a property inspection by a housing services officer (*HSO*) and the mechanical & electrical surveyor (*M&E surveyor*) to ensure that the property is in a good condition for exchange.
- 5.2 The HSO will notify the tenant of any items that need to be addressed before the mutual exchange takes place.
- 5.3 If the current tenant has installed their own bathroom, kitchen, conservatory or other fixture or fitting, this must be discussed with the incoming tenant to ensure they are happy to take over responsibility for the maintenance of the item(s). If any guarantees exist for new installations, these will need to be assigned to the incoming tenant.



- 5.4 If a tenant has carried out improvements with SCDC permission they could qualify for compensation (*see tenants' compensation for alterations page on the website for further details*).
- 5.5 If the inspection reveals disrepair or lack of decorating at the property, the HSO will seek to ensure the property is repaired prior to exchange. Repairs that are the responsibility of SCDC must be reported in the usual way. Items that are the responsibility of the tenant must be brought to the tenant's attention. The tenant will need to rectify these items prior to the mutual exchange, or the incoming tenant will agree to take the property 'as seen'.

Section 6: Health and safety checks

- 6.1 There are a number of health and safety checks that must be carried out when completing a mutual exchange. They will be arranged by the HSO and each tenant should factor these items into their schedule when planning the move.
- 6.2 Gas Safety
- SCDC has a '*Mutual Exchange Gas Procedure*' that accompanies the mutual exchange policy and procedure that all parties must adhere to.
 - The gas must be capped before the new tenant moves in and then uncapped after the new tenant moves in.
 - Any tenants' own gas fire or cooking appliance present at the time of the engineer cap off visit will be disconnected from the supply bayonet, removed and plugged off for safety.
 - The only exception for leaving a gas cooker connected is where both exchanging tenants have gas cookers compliant with current standards and have mutually agreed to leave these in the properties.
 - It is the responsibility of the incoming tenant to instruct and pay for a Gas Safe Registered engineer to connect, test and certify any gas cooker installation (*this also includes any necessary pipework alterations*) and provide a copy of the gas safe certificate to SCDC.
 - It is the responsibility of the incoming tenant to instruct and pay for a qualified electrician to connect an electric cooking appliance alternative if gas is not going to be used.
- 6.3 Electrical Testing
- The property must have an electrical safety inspection by SCDC's repairs contractor before the exchange takes place.



- Any items that require attention must be attended to by the repairs contractor prior to the exchange taking place and should be completed as soon as practically possible.

Section 7: Types of exchange

Mutual exchanges can be carried out in one of two ways:

- 7.1 Assignment is the swapping of tenancies at the same time as homes are exchanged. The incoming tenant will take on the rights and responsibilities of the tenant they have swapped with. This is used when those exchanging homes hold tenancies with a similar security of tenure.
- 7.2 Surrender and regrant is where tenants surrender their current tenancy and re-assign a tenancy with a similar security of tenure for their new property. This is used when the parties exchanging hold tenancies with different security, and one of the parties has their security protected by law.
- 7.3 Tenants who hold a lifetime (secure or assured) tenancy that was granted before April 1, 2012 have their security of tenure protected by law. Tenants who hold a secure or assured tenancy granted before this date therefore cannot swap tenancies (be assigned) with a fixed term or flexible tenant, though there are exceptions. This legislative protection will not apply when a lifetime tenant chooses to exchange with a fixed term tenant on an affordable rent.

7.4

| Tenant 1 | Tenant 2 | Mutual exchange by: | Result |
|------------------|------------------|-----------------------------|---|
| Flexible / Fixed | Flexible / Fixed | Assignment (swap tenancies) | Each tenant will be assigned the balance of the fixed term of the property they are moving to. Where one tenant is a fixed term tenant at an affordable rent and the other a pre- 01/04/2012 assured or secure tenant, the assured / secure tenant will lose security of tenure and social rent status. |
| Secure / Assured | Secure / Assured | Assignment (Swap tenancies) | - |



| Tenant 1 | Tenant 2 | Mutual exchange by: | Result |
|------------------|------------------|---------------------|---|
| Secure / Assured | Flexible / Fixed | Surrender & Regrant | The fully assured or secure tenant will be granted a new secure or assured tenancy. The fixed term tenant will be granted a new tenancy in accordance with the new landlords' policy. |

Section 8: Refusal

- 8.1 All mutual exchange applications will be considered fairly. There are certain criteria that the applicant must meet for the exchange permission to be granted, but SCDC will always aim to approve the exchange when these areas are met.
- 8.2 Schedule 3 of the Housing Act (1985) and Schedule 14 of the Localism Act (2011) sets out the grounds where consent to assignment by way of mutual exchange may be withheld. These are detailed within appendix 01.
- 8.3 There may be additional conditions outlined prior to granting approval to an application, which may need to be addressed prior to the exchange taking place. In this instance SCDC may reserve the right to withhold consent until any conditions have been met.

Examples may include;

- If a tenant has rent arrears this will normally need to be cleared, or for a payment plan to be put in place with agreement from the landlord for example, before the exchange can take place.
 - If the property requires repairs that are not the responsibility of SCDC, these will normally need to be completed before the exchange can take place.
- 8.4 If the mutual exchange application is not approved, the tenant(s) will be advised of the refusal decision and have the reasons for rejection explained to them.
- 8.5 If the tenant does not agree with the decision and believes that the reasons for refusal were unreasonable and / or unjustified, the tenant should contact the Neighbourhood Services Manager to request a review within 14 days of receiving their decision letter.
- If the refusal decision still stands after the review and the tenant is not satisfied with the decision and its reasoning, they can write to the Head of Housing Services for an appeal.
- 8.6 If the other landlord rejects the application for the exchange and it is felt that the reasons for doing so were not reasonable, it is down to their tenant to challenge the decision.



- 8.7 In some instances, there may be reasonable grounds for SCDC to refuse the mutual exchange application, but the Council may choose to exercise discretion to grant permission despite this. For example, the tenant may be in arrears but allowing the mutual exchange may reduce their rental outgoings (*if they are downsizing etc.*) and would then benefit them financially. This would enable the tenant to begin reducing their arrears. In these circumstances, staff should always discuss with a line manager to gain advice and approval to grant the request (*where applicable*).
- 8.8 The Council will use its Lettings Policy when considering if the incoming tenant would be suitable for the property.
- 8.9 There are no limits to the number of times a tenant can apply for, or indeed complete, a mutual exchange.

Section 9: Welfare reform

- 9.1 If a tenant is affected by welfare reform and is eligible, there may be financial help available to assist in facilitating a move to downsize. This may include things such as;
- Clearing rent arrears
 - Paying for recharges
 - Skip hire
 - Clearance costs
 - Arranging minor repairs
 - Paying towards new carpets
- 9.2 Tenants should contact SCDC to see if they may be eligible for any financial assistance.

Section 10: Equality and Diversity

- 10.1 Equality is about treating individuals fairly, supported by legislation designed to promote equality and eliminate discrimination, harassment and victimisation. Diversity is about the recognition and valuing of difference for the benefit of the Council and the individual. Equality and diversity are not interchangeable but are interdependent. There is no equality of opportunity if difference is not recognised and valued.
- 10.2 We are committed to identifying, understanding and eliminating all barriers that prevent access to services, information and employment.



10.3 As a major employer and provider of services, South Cambridgeshire District Council is committed to actively promoting equality and diversity, and working to combat discrimination across all nine protected characteristics;

- Age
- Disability
- Gender Reassignment
- Marriage and Civil Partnerships
- Pregnancy and Maternity
- Race
- Religion/Belief
- Sex
- Sexual Orientation

Section 11: Complaints

11.1 Any complaints should be addressed in line with the Housing Department's 'Comments, compliments and complaints' procedure.

11.2 An overview of the procedure is available on the [website](#).

Section 12: Review

12.1 This policy and its procedures should be reviewed every 2 years. However, earlier reassessment may be required if there are changes in operations and/or legislation etc.

Section 13: About this policy

13.1 See the table below for information about this policy:

| | |
|-----------------------|------------------|
| Author | Gina Manderson |
| Staff Consultation | October 2019 |
| Resident Consultation | November 2019 |
| Signed off by | Cllr Hazel Smith |

13.2 See the table(s) below for an overview of the history of this policy:

Version History

| | |
|----------------|-------------|
| - | Version One |
| Effective Date | |
| Review Date | |