



Mutual Exchange Policy

Approved by ELT 4 September 2013

Review due: Q2 2015/16

v.2

Mutual Exchange Policy

1. Aims of this policy

Southway will adopt a pro active and positive approach to Mutual Exchanges. We will promote exchanges in accordance with our wider initiatives to meet housing demand, enhance tenant choice, make optimum use of our stock and promote tenant mobility.

We will advise and support Southway tenants who apply for rehousing to pursue opportunities to mutual exchange, unless there are exceptional circumstances that render mutual exchange inappropriate.

2. Manchester Mutual Exchange Charter

Southway is a partner organisation within the Manchester Mutual Exchange Charter. This policy complements the commitments we have made within the Charter, specifically partnership working with other housing associations to improve mobility between landlords, the provision of advice and information to promote mutual exchanges and support to tenants wishing to exchange.

This policy should be read in conjunction with the Charter.

3. Policy Objectives

3.1 The specific objectives are:

- i. Southway will have clearly documented procedures to deal with applications to exchange.
- ii. Southway will utilise and promote HomeSwapper and/or any successor as the principal service to facilitate exchanges. However we also recognise that not all tenants have digital access and alternative arrangements will be provided in these circumstances, e.g. via home visits, invitation to attend Southway Tenant's Internet facility at Aspen House.
- iii. Southway will provide all applicants with clear information on its approach to dealing with exchanges.
- iv. Southway will recognise equally the statutory rights of Secure Tenants and the contractual rights of Assured Tenants to exchange.
- v. Southway will ensure prospective exchangees are made aware of the significance of any changes to their contractual and / or statutory rights prior to any exchange. This will be explained and provided in writing.
- vi. Southway will administer exchanges quickly and efficiently. If an application for exchange is denied, reasons will be provided in writing.

- vii. Southway will seek to facilitate exchanges by Deed of Assignment. In circumstances where Deed of Assignment is not appropriate (because of arrears), the Trust will grant either Assured or Assured with Protected Rights tenancy agreements to parties swapping homes.
- viii. Southway may refuse permission to an exchange based on any of the grounds listed in Schedule 3 of the Housing Act 1985 (see section 4. below).
- ix. The Health and Safety of both sets of exchanging tenants is paramount. The Trust will observe best practice in terms of Gas and Electrical Safety work associated with the exchange. The Trust will not allow any exchange to take place where any unauthorised improvements present a health and safety concern, regardless of the incoming tenant's preparedness to accept this risk.
- x. Generally, Southway will seek to remedy any existing breach of tenancy by providing conditional consent to exchange before allowing full permission for an exchange to take place.
- xi. Generally, Southway will negotiate that any outstanding debt to be resolved before allowing permission for an exchange.
- xii. In exceptional circumstances, the Trust may permit an exchange to take place even when a tenant has un-discharged rent arrears, or has completed unauthorised improvements to their home. These circumstances are described below.

4. General Principles

The principles underlying this policy are that:

4.1 Supporting tenants through the mutual exchange process

Southway will encourage existing residents to meet their mobility aspirations using the exchange procedure. Applicants who request rehousing through Manchester Move will be advised to complete a HomeSwapper application and will be fully supported to do so. Applicants who are downsizing, or are experiencing overcrowding will be fully supported in their efforts to move home, including but not limited to;

- Registering on Homeswapper or similar
- Using online resources such as the above to find and contact prospective exchanges
- Advice to successfully attract an exchange
- Support in contacting prospective matches to exchange with
- Liaising with other landlords to facilitate an exchange
- Practical measures to support moving, such as help with utilities, etc

Neighbourhood Officers will case manage mutual exchange applications in respect of the above support and play an active role in ensuring their success.

4.2 Dealing with property condition, improvements and alterations

- 4.2.1 Southway will not act unreasonably in preventing an exchange taking place due to outstanding minor repair issues or prudent tenant alterations and improvements. The

Trust recognises that tenants of longstanding will have made improvements that an incoming tenant is happy to accept, e.g. laminate flooring.

- 4.2.2 We recognise fair wear and tear will occur over time, and will not penalise a tenant from exchanging unreasonably. However, The Trust will not permit an exchange to take place where there is significant damage to the property condition. Neither will Southway permit exchanges where there are Health and Safety concerns over alterations or improvements, from a perspective of protecting the incoming tenant from harm, and the Trust from liability. Typically, this will include glass doors and any unapproved gas or electrical improvements. In these circumstances the tenant will be notified and required to remedy the defect before consent will be provided for the exchange to take place (see “Conditional consent” below).
- 4.2.3 Where an incoming tenant is happy to accept a property, they will be required to sign that they have understood they are taking responsibility for all current and future liability and repair of pre-exchange improvements and alterations.
- 4.2.4 Internal decoration is not the responsibility of the Trust. Both sets of tenants will be advised to agree upon decorative standards, and that the Trust will not become involved in disputes over decoration after the exchange has taken place.

4.3 Dealing with tenants who have rent arrears

- 4.3.1 The Trust will use the opportunity of an application for exchange to resolve any outstanding rent arrears matters. Tenants will be challenged through an affordability interview to repay their housing related debts in order to qualify for an exchange, and this may be required through the process of conditional consent.
- 4.3.2 However, the Trust will seek to support the mobility aspirations of tenants who wish to exchange, and who have arrears, where a combination of the following applies;
- They are unable to immediately repay the outstanding housing debt
 - Their current tenancy is affected by housing benefit reductions brought about by Welfare Reform measures
 - There is evidence to support consistent attempts to repay that debt
 - The move would improve their housing circumstances so that their future tenancy would be affordable and sustainable
- 4.3.3 In these circumstances the Trust will rely on the same guidance provided in the Allocations Policy terms of reduced priority;
- Arrears greater than £1000.00 will render applicants ineligible*
 - Applicants who owe between £500 and £1000 must make at least 13 weeks regular repayment before being considered
 - Applicants who owe less than £500 must make an agreement to continue to repay their housing debt, at their new address
 - * Tenants affected by under occupation deductions to their housing benefit may be considered, at the discretion of the Head of Neighbourhood Services
- 4.3.4 Where the Trust decides to support a move but the outgoing tenant has rent arrears, Deed of Assignment is not appropriate. In these circumstances, a new tenancy will be granted to both parties involved in the move.

5. **Withholding Consent and Conditional Consent**

- 5.1 The grounds for withholding consent for a mutual exchange are set out under Schedule 3 of the Housing Act 1985. These grounds are;

GROUND 1

The tenant or the proposed assignee is the subject to an order of the court for the possession of the dwelling house of which they are the tenant.

GROUND 2

Either the incoming or outgoing tenant is the subject of a current notice of seeking possession, or possession proceedings have started, on one or more of the following grounds;

- Non payment of rent or non compliance with a tenancy condition
- The tenant or a person resident in or visiting the dwelling house is causing nuisance or annoyance to neighbours or is using the property for immoral or illegal purposes or has been convicted of an indictable offence in or in the locality of the dwelling house
- The dwelling house was occupied by a married couple, a couple who are civil partners or a couple living together as husband and wife or civil partners – and one partner has left because of violence or threats of violence by the other towards that partner or a member of the family of that partner who was residing with that partner immediately before the partner left and the court is satisfied that the partner who has left is unlikely to return
- Neglect or “waste” of the property or common parts
- Ill treatment of the landlords furniture
- Obtaining a tenancy by false statement
- Participating in an exchange that has involved a payment of a premium
- The dwelling house is held mainly for purposes other than housing purposes and let to tenants in the employment of the Landlord and the tenant is guilty of conduct such that it would not be right for the tenant to remain in occupation
- The dwelling house was only made available for occupation by the tenant while works were carried out on the dwelling house the tenant previously occupied as his only principle home and those works have now been completed

GROUND 2(A)

Either of the properties have a possession or demotion order in place or pending. Or if the tenant, proposed assignees or a household member has a relevant order such as an injunction or anti social behaviour order against them.

GROUND 3

The home of the outgoing tenant is substantially more extensive than is reasonably required by the incoming tenant.

GROUND 4

The “extent” of the accommodation afforded by the outgoing tenant’s house is not reasonably suitable to the needs of the incoming tenant.

GROUND 5

The property –

- a) forms part of a building which, or so much of it as is held by the landlord, is held mainly for purposes other than housing purposes and consists mainly of accommodation other than housing accommodation, or is situated in a cemetery, and;
- b) was let to the resident or a predecessor in title of his in consequence of the resident or predecessor being in the employment the landlord.

GROUND 6

The landlord is a charity and the proposed assignee's occupation of the dwelling-house would conflict with the objects of the charity.

GROUND 7

The outgoing tenant's home has features which are designed to make it suitable for occupation by a physically disabled, and if the assignment were made there would no longer be such a person residing in the dwelling-house.

GROUND 8

The landlord is a housing association or housing trust which lets dwelling-houses only for occupation (alone or with others) by persons whose circumstances (other than merely financial circumstances) make it especially difficult for them to satisfy their need for housing and if the assignment were made there would no longer be such a person residing in the dwelling-house.

GROUND 9

The out going tenant's home is one of a group provided for people with special needs and a social service or special facility is provided in close proximity to the group of dwelling-houses in order to assist persons with those special needs and if the assignment were made there would no longer be a person with those special needs residing in the dwelling-house.

GROUND 10

The dwelling house is the subject of a management agreement under which the manager is a housing association of which at least half the members are tenants of the dwelling house subject to the agreement, at least half the tenants of the dwelling houses are members of the association and the proposed assignee is not, and is not willing to become, a member of the association.

- 5.2 If the Trust refuses an application for a mutual exchange for any reason listed above, the Trust must write to the Trust's tenant within 42 days of receiving the application to inform the applicant of that decision.
- 5.3 In addition to refusal, conditional consent may be provided to an application for exchange. Consent may be conditional upon a breach of tenancy being remedied, for

example property condition restored or rent arrears resolved. The Trust will write to the tenant within the 42 day timescale to inform them of any conditional consent, before full consent will be provided.

6. Service Standards

- 6.1 The Trust's Neighbourhood Officers are fully trained to deal with mutual exchange requests, and these staff will lead on dealing with enquiries on exchanges, providing a one point of contact for prospective exchanges.
- 6.2 The Trust will deal with requests to exchange efficiently with response times in accordance with our published customer care standards. All exchanges will be fully processed within a maximum 42 days, from receipt of first enquiry.
- 6.3 All decisions relating to both successful and unsuccessful requests to exchange will be communicated formally and in writing. This will extend to copies of surveys where remedial works are identified, and where incoming tenants accept property condition, alterations and improvements.

7. Gas Safety

- i. Gas Safety for mutual exchanges will be ensured in line with the Gas Safety (Heating Installations) Policy.

8. Repairs

- i. Tenants will be required to sign to say that they have accepted the condition of the property they are exchanging into. Aside from this consideration, after the exchange has been completed, the new tenant is entitled to all other repairs in accordance with the Trust's Responsive Repairs Policy.

9. Performance Monitoring

- 9.1 The Trust will monitor mutual exchanges and report at least annually on the following performance indicators:
 - Number of exchange applications – agreed, conditionally agreed and refused
 - Reasons for refusals
 - The impact of exchanges in promoting policy objectives such as promoting mobility, making best use of stock and reducing tenants affected by Welfare Reform Housing Benefit reductions

10. Equality and Diversity

- 10.1 Southway will ensure that this policy is applied fairly to all customers. We will not directly or indirectly discriminate against persons because of race, religion, gender, marital status, sexual orientation, disability or other grounds set out in our Single Equalities Scheme.

- 10.2 When applying this policy, we will act sensitively towards the diverse needs of individuals and communities.
- 10.3 This policy can be provided on request in other formats (e.g. in alternative languages, Braille, audio, in large print)