

Mutual Exchange Policy

1 Purpose

This policy sets out how Metropolitan Thames Valley (MTVH) will support customers who want to move by means of a mutual exchange. The ability to exchange tenancies is recognised by us as an important way for many customers to be able to find a home more suitable for their needs.

We participate fully in local opportunities facilitated by choice-based lettings schemes. We also subscribe to a mutual exchange service, ensuring free access for our customers to advertise an exchange on a national database. Procedures are in place to support customers in their search for suitable exchange partners and to facilitate a speedy and smooth exchange of properties where authorised.

We strongly recommend that customers considering a mutual exchange seek their own legal advice, at an early stage in the process, so they are aware of any loss of rights or other implications resulting from a possible change in the status of their tenancies.

2 Scope

The policy and accompanying procedures/documents apply to all customers living in an MTVH social rent property, or anyone applying to mutually exchange with them.

Term	Definition
Mutual Exchange	A process by which two or more social housing customers swap homes. This must always be with the written consent of the landlord(s), although the grounds for refusal will depend on the type of tenancies held. Mutual exchanges can be carried out by way of assignment or surrender and regrant.
Assignment	A legal process by which a customer can transfer their tenancy to another person. On assignment, the assignor's legal interest in a property is passed to the assignee who takes over that interest and becomes the customer. All the terms of the original tenancy agreement apply to both the new customer and the landlord, including the amount of rent payable. A written Deed of Assignment, signed by both parties and witnesses, must be completed for it to be effective.
Surrender & Regrant	A process in which the existing tenancy is terminated, and a new tenancy is granted in place of the old one. This process can be used as a way of managing the 'transfer' of a tenancy where an assignment is prohibited, although technically the existing tenancy is replaced rather than transferred. As a new tenancy is granted, the terms and conditions may differ from the original tenancy, including the rent.

3 Our Approach

3.1 Secure Tenancies

Customers with a secure tenancy have a statutory right to exchange tenancies with applicants of other housing associations and local authorities (S92, Housing Act 1985). The act also sets out the grounds on which landlords withhold consent in Schedule 3, for more information please see the **Appendix 1: Grounds for Withholding Consent to Assignment by Way of Exchange**.

We will withhold consent if any of the following apply:

- We have initiated court proceedings to regain possession of the property, including serving a Notice Seeking Possession, due to rent arrears or another breach of tenancy.
- The property is not suitable for the incoming customer and their family, for example, due to size (i.e., they would be under or over occupying) or because the property has been adapted and nobody in the household requires these adaptations.
- The accommodation is provided as part of someone's employment.

This is not an exhaustive list; the full list of grounds is set out in **Appendix 1: Grounds for Withholding Consent to Assignment by Way of Exchange**.

Additionally, we may make our consent conditional on any outstanding rent arrears, or other breaches of tenancy, being paid/rectified prior to an exchange taking place.

3.2 Assured Tenancies

The rights of a customer with an assured tenancy in relation to mutual exchange, will be set out in their tenancy agreement, including any conditionality.

We will not unreasonably withhold our consent to an exchange between customers with assured tenancies. The **Appendix 2: Customers with an Assured Tenancy: Additional Reasons for Refusal** attached to this policy, sets out a non-exhaustive list of reasons, in addition to the grounds set out in Schedule 3 of the Housing Act (1985) (Grounds for Withholding Consent to Assignment by Way of Exchange), upon which we may refuse an exchange.

3.3 Fixed Term (Assured Shorthold) Tenancies

In addition to any rights set out in their tenancy agreement, customers with a fixed term (assured shorthold) tenancy, may also have a statutory right to mutually exchange under the Localism Act 2011.

Mutual exchanges involving a fixed term tenancy will be undertaken via surrender and re-grant in accordance with the Localism Act 2011.

3.4 Probationary Tenancies

Customers are not granted any contractual right to exchange whilst they are within their probationary period, however customers may apply during their probationary period, with consent being granted conditionally upon successful completion of the probationary period.

Where a customer holds a probationary tenancy, and there are exceptional circumstances resulting in the customer being unable to remain in the property, we will consider a discretionary conversion to an assured tenancy, or an assured shorthold fixed-term tenancy, to facilitate a mutual exchange. The type of tenancy offered will be determined in accordance with our **Allocations Policy**.

3.5 Under and Over Occupying

For the purposes of this policy:

- Households are considered to be overcrowded when there are insufficient bedrooms to meet the needs of the household.
- Households are considered to be underoccupied when there is more than one bedroom above what is required to meet the needs of the household.

Factors we will be considering when determining the number of bedrooms a household requires include:

- The age, gender and relationship of all household occupants
- Where an additional bedroom is required on medical grounds (the resident will be required to provide a report from an Occupational Therapist to confirm this);
- Where the exchange will result in better management of the housing stock
- Where the ages of the children in the household would result in the need for an additional bedroom within 12 months*
- Where the resident is downsizing*

*A customer in receipt of benefits will need to demonstrate that a shortfall in benefit will be affordable in the intervening period.

If an applicant believes they are entitled to additional bedrooms, this information must be included in the application. For further information please see our **Bedroom Standard Guidance**.

3.6 Requirements Prior to an Exchange

The outgoing customer must comply with the following conditions before an exchange can proceed:

- Rent and any other monies owed, must be fully paid by the date of the proposed exchange.
- Any other obligation under the tenancy that has not been met, or a breach of the tenancy, must be remedied by the date of the proposed exchange.
- Any damage or unauthorised alterations to the property identified by us, must be put right by the outgoing customer and approved by us, prior to the exchange taking place. In the case of critical repairs, such as, but not limited to, fire door replacements, which are due to the outgoing customer's negligence, we may agree to carry out the work ourselves at the outgoing customer's expense.

3.7 Incoming Customers

Incoming customers are responsible for making their own checks on the suitability of both the property and local area they are considering moving to, for example, any local issues or incidents of anti-social behaviour.

By agreeing to the mutual exchange, incoming customers are accepting the property in its current condition, including any items left in the property (or any outside areas) by the outgoing customer and will be responsible for the cost of removing these items.

Incoming customers will also be responsible for the upkeep of any non-standard decorations or improvements made by the outgoing customer, above and beyond our normal repairs' standard.

Landlords must receive all necessary paperwork which is signed and completed by the applicants and give the required written confirmation to complete the exchange and allow the moving process to begin.

Applicants must not move until they have received our consent. If applicants move without our consent and without signing the required legal documents, we will treat the occupants as unauthorised occupants and may take action to seek possession of our property.

3 Our Responsibilities

Upon receipt of an application, we will conduct an inspection to assess the condition of the property and identify:

- Any damage or unauthorised alterations carried out by the outgoing customer.
- Any repairs which we are responsible for.
- Any improvements or non-standard fixtures, decoration or finishes that the incoming customer will be responsible for.

We will also undertake any necessary gas or electrical checks at the property.

Outgoing customers will be informed of any damage or unauthorised alterations and given the opportunity to put these right.

We will clearly communicate to incoming customers any improvements, alterations, non-standard fixtures, decoration or finishes that we will not replace should a repair be required at a later date, as well as any outstanding repairs that we are responsible for.

If an incoming customer enquires about issues regarding the area they intend to move to, we will be transparent and not misrepresent the position.

We will give notice of our decision to approve or decline an application to exchange within 42 calendar days of receiving the completed application.

Conditional approval may be granted if certain conditions have not been met within this time frame. Our decision will be given in writing and will state the reasons for withholding consent where an application is declined.

4 Appeals Procedure

Applicants have the right to request a review of a decision to with-hold consent to a mutual exchange of tenancies and may request an agency or organisation to make an appeal on their behalf. Depending on the reasons for refusal, the appeal may be referred to the MTVH Allocations Panel. The Panel will review the complaint and decide based on individual circumstances. An appeal does not interfere with an individual's rights to make a complaint to the independent Housing Ombudsman.

5 Information Sharing

All applications and customers are subject to Data Protection Act 2018. At the point of interview applicants are asked to sign a S171 declaration within the terms of the 1996 Housing Act. This declaration warns that it is an offence to knowingly withhold or provide false information. In addition, applicants are made aware that information can be shared with other housing providers or relevant agencies. This can include information sharing protocols with public bodies.

There are specific permissions required to make enquiries with individual support workers, the applicants are required to sign a declaration giving their permission. Identification markers on our



computer databases are also used to denote risks, vulnerability or for regard to be given to special requirements.

6 Background legislation

The following legislation and regulatory framework apply:

- Welfare Reform Act 2012
- Localism Act 2011
- The Regulatory Framework for Social Housing Tenancy Standard - Allocations and Mutual Exchange; and Tenure
- Housing and Regeneration Act 2008
- Local Government and Housing Act 1989/ Housing Act 1988/ Housing Act 1985 Schedule 3

7 Our commitment to Equality, Diversity, and Inclusion

In implementing this policy, MTVH will not discriminate against any colleague, customer, or stakeholder on the grounds of their sex, sexual orientation, gender reassignment status, ethnic origin, age, religious belief, disability, marital status, and pregnancy/maternity.

An Equality Impact Assessment has been completed for this policy and is retained by the Policy Team.

8 Key Policy Information

Policy Owner	Director of Housing
Author	Head of Lettings & Commercial
Approved by	Customer Services SLT
Effective from	December 2024
Approach to review	This Policy & associated Procedures will be reviewed as required by the owner for changes in legislation, regulation, and operational need. Any amendments will be appropriately consulted on and signed off before being clearly communicated to customers and colleagues. Next expected review is 5 years from the 'Effective date' of this document.
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