

New



Revision



Housing Management

Mutual Exchange

Scope:	This policy applies to: Circle 33 Housing Trust, Old Ford Housing Association, South Anglia Housing and Wherry Housing Association
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Policy Owned by:	Policy and Planning
KLOE:	7 Allocations and Lettings
QAF (Supported Housing):	N/A
Statute:	Housing Act 1985 Local Government and Housing Act 1989
Regulatory Code:	3.5.2, 3.5.4
Consultation:	Staff, OF HS, OF TML, SMPRG, GPF.

Mutual Exchange Policy

1 Scope

- 1.1 This policy applies to:
- Circle 33 Housing Trust
 - Old Ford Housing Association
 - South Anglia Housing and
 - Wherry Housing Association.
- 1.2 Mutual exchange applies to Secure and Assured tenants with permanent, self-contained accommodation.
- 1.3 In Supported Housing we would discourage the exchange where the incoming tenant did not require the support service.

2 Policy Statement

- 2.1 Circle Anglia believes that stable communities are far more likely to prosper where tenants have exercised real choice about where they live. However, we recognise that this can sometimes be difficult in areas where demand for housing is high.
- 2.2 We are committed to giving tenants as many options for mobility as possible . We believe that mutual exchange can help tenants exercise choice about moving home, without having to resort to extensive waiting lists.
- 2.3 Circle Anglia acknowledges the benefits of mutual exchange for those tenants who may wish to change landlords, move to a different part of the country or have little or no priority for a transfer.
- 2.4 We also recognise the contribution that mutual exchange can make to efficient and cost effective use of housing stock and to reducing waiting lists.
- 2.5 We will make every effort to respond promptly to mutual exchange requests, to provide tenants with appropriate information and advice and to facilitate a smooth tenancy transition for outgoing and incoming tenants.
- 2.6 Circle Anglia will not unreasonably withhold permission to exchange, except where statutory grounds for refusal apply.

3 Policy

3.1 The aim of this policy is to:

- to provide tenants with information on the requirements for a mutual exchange of properties
- to ensure that the criteria for an exchange are met before an exchange can be undertaken, and
- to provide guidance as to when an exchange can be refused.

Application

3.2 Eligible tenants (see Tenants' Rights) can apply in writing to exchange their property with:

- another tenant of the landlord
- a tenant of a local authority
- a tenant of another Registered Social Landlord
- a tenant of a new town property.

Granting and refusing permission to exchange

3.3 Circle Anglia must grant or refuse the exchange within 42 days of receiving the application. This decision shall be in writing.

3.4 Where the exchange is with a tenant from another landlord or local authority, we will only make the decision after receiving a suitable tenant reference and consent from the other landlord.

3.5 Exchanges are made by way of assignment of tenancy and require the prior consent of the landlords concerned.

3.6 Where an exchange involves a designated Supported Housing property, the incoming tenant's need for the support service will be assessed before a decision is made to allow the exchange. We may be able to prevent an exchange of two Assured tenancies on reasonable grounds such as not needing the support service. However, although we would be discouraging where a Secure tenant was involved in similar circumstances, we cannot stop the statutory right to mutually exchange.

3.7 We will not unreasonably withhold permission to exchange, except where the grounds set out in Schedule 3 of the Housing Act 1985 apply. See Grounds for Withholding Consent.

- 3.8 We will request that tenants clear any rent arrears before the exchange can go ahead.
- 3.9 Where a possession order is outstanding or a Notice of Seeking Possession has been served, we will refuse the application to mutually exchange.

4 Tenants' Rights

Secure tenancies

- 4.1 Secure tenants have the right to assign their tenancy by way of exchange under Section 92 of the Housing Act 1985 as amended by Section 163 of the Local Government and Housing Act 1989.

Assured tenancies

- 4.2 Assured tenants have been granted the right to assign by way of exchange as a contractual right in the tenancy agreement.
- 4.3 As with most tenancy management issues, Circle Anglia treats Assured tenants and Secure tenants in the same way.

Assured furnished tenancies

- 4.4 Assured furnished tenants have the same rights as Assured tenants, but tenants taking over the tenancy by way of mutual exchange must take on the furniture and related charges. The departing tenant leaves this furniture behind as it is tied in with the tenancy that they are assigning.

Assured shorthold tenancies

- 4.5 Assured shorthold tenants do not have the right to exchange by way of assignment.

Starter tenancies

- 4.6 Starter tenants in the first 12 months of their tenancy do not have the right to exchange as they are Assured shorthold tenants.
- 4.7 However, if the first 12 months have elapsed and the tenancy has automatically converted to Assured tenancy, then there will be a right to exchange.

5 Underoccupation

- 5.1 Tenants who are moving to a smaller property by way of mutual exchange are not entitled to apply for a payment under the underoccupation incentives scheme. This is because it is illegal to offer a financial incentive to exchange.

6 Property Damage

- 6.1 Circle Anglia will inspect the property before the exchange goes ahead. This will be regardless of whether the tenant has reported damage or significant repairs issues on their [Mutual Exchange Application form](#)
- 6.2 Once an inspection has occurred, Circle Anglia will enforce that serious damage caused to a property by a tenant or a tenant's household is repaired before an exchange occurs.
- 6.3 Serious damage will need to be rectified before the exchange goes ahead. The tenant may also be recharged for any costs incurred.

7 Gas Safety

- 7.1 Gas Safety for mutual exchanges should be ensured in accordance with the [Safety of Heating Installations](#) policy.
- 7.2 Before an exchange can be completed it must be established that there is a valid safety certificate for the property. It is the tenant's responsibility to ensure that if there isn't a valid certificate they allow access to a contractor to carry out the check.
- 7.3 The incoming resident is responsible to allow access for a new gas safety check for the property within 72 hours of moving.

8 Grounds for Withholding Consent

- 8.1 There are specific grounds on which Circle Anglia can refuse consent for a mutual exchange. These are laid down under Schedule 3 of the Housing Act 1985 and comprise the following:

Ground 1 - Possession order outstanding

- 8.2 The tenant or the proposed assignee is obliged to give up the dwelling house of which he is the secure tenant in pursuance of an order of the court, or will be so obliged at a date specified in such an order.

Ground 2 - Possession proceedings outstanding or Notice of Seeking Possession (NOSP) in force

- 8.3 Proceedings have begun for possession of the dwelling house of which the tenant or the proposed assignee is the Secure tenant on one or more of Grounds 1 - 6 in Part 1 of Schedule 2 (Grounds upon which possession may be ordered despite absence of suitable alternative accommodation), or there has been served on the tenant or the proposed assignee a notice under Section 83 (Notice of Proceedings for Possession) which specifies one or more of these grounds is still in force. See [Grounds for Possession](#).

Ground 3 - Underoccupation

- 8.4 The accommodation afforded by the dwelling house is substantially more extensive than is reasonably required by the proposed assignee.
- 8.5 The Department of Environment has stated that the existence of one spare room would not make the property 'more extensive than required'.

“...the Secretaries of State ask councils to be flexible in considering to decline consent to exchange on this ground: the enjoyment of a spare bedroom should not...be regarded as substantial underoccupation.”

DoE circular (24/84 para 110)

Ground 4 - Suitability

- 8.6 The extent of the accommodation afforded by the dwelling house is not reasonably suitable to the needs of the proposed assignee and his family.
- 8.7 Circle Anglia's own rehousing standard should be used here to determine whether the assignee would be overcrowded.

Ground 5 – Non-housing accommodation or employment

- 8.8 The dwelling house:
- a) forms part of or is within the boundaries of a building which, or so much of it is held by the landlord, is held mainly for purposes and consists mainly of accommodation other than housing accommodation, or is situated in a cemetery, and
 - b) was let to the tenant or a predecessor in title in consequence of the tenant or predecessor being in employment of:

- the landlord,
- a local authority,
- a new town corporation,
- the Development Board for rural Wales,
- an urban development corporation, or
- the governors of an aided school.

Ground 6 - Conflict with charitable aims

- 8.9 The landlord is a charity and the proposed assignees occupation of the dwelling house would conflict with the objects of the charity.

Ground 7 - Accommodation designed for the disabled

- 8.10 The dwelling house has features which are substantially different from those of ordinary dwelling houses and which are designed to make it suitable for occupation by a physically disabled person who requires accommodation of the kind provided by the dwelling house and if the assignment were made there would no longer be such a person residing in the dwelling house.

Ground 8 - Accommodation designated for special needs e.g. sheltered

- 8.11 The landlord is a housing association or a 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 the need for housing and if the assignment were to be made there would no longer be such a person residing in the dwelling house.

Ground 9 - Accommodation in group designated for special needs

- 8.12 The dwelling house is one of a group of dwelling houses which it is the practice of the landlord to let for occupation by persons 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 to be made there would no longer be a person with special needs residing in the dwelling house.

Ground 10 - Management Agreement

- 8.13 The dwelling house is subject to a management agreement under which the manager is a housing association of which at least half the members are tenants of dwelling houses 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.

9 Service Standards

- 9.1 We will publicise mutual exchange as an option for tenants wishing to move.
- 9.2 We will subscribe to and publicise House Exchange and moveUK.
- 9.3 We will promptly acknowledge in writing receipt of the application within ten working days. However, we aim to respond at the promptest possible interval in order to meet the 42-day deadline.
- 9.4 We will communicate written approval or refusal of the mutual exchange within 42 days of receiving the application.
- 9.5 We will arrange an appointment for sign-up within five working days of the mutual exchange being approved.
- 9.6 We will not unreasonably withhold permission to exchange, except where the Grounds set out in Schedule 3 of the Housing Act 1985 apply. See [Grounds for Withholding Consent](#).
- 9.7 We will advise tenants on the implications of assigning their tenancy.
- 9.8 Any costs incurred by Circle Anglia for the repair of serious damage by a tenant or a tenant's household will be recharged to the tenant.

10 Monitoring

- 10.1 Circle Anglia will record the following information when processing Mutual Exchanges:
 - the number of mutual exchange applications each year
 - whether the tenant is/was on the transfer database
 - how tenants found their exchange partner, and
 - ethnicity of new household.
- 10.2 We will survey customers to assess levels of satisfaction with the service they have received to help us ensure a smooth tenancy transition for customers moving home.

11 Equality and Diversity

- 11.1 It is essential to recognise that customers of all races, ages, religions, gender, sexual orientation and disability should be treated equally and fairly.
- 11.2 Assured tenants have the right to assign by way of exchange granted as a contractual right in the tenancy agreement.
- 11.3 We will record the ethnicity of all new households.
- 11.4 All customers will have access to this document upon request or from our website www.circleanglia.org/customers
- 11.5 This document can be translated or provided in alternative formats (e.g. Braille, large print, audio) upon request.
- 11.6 Equality and Diversity training is mandatory for all staff.

12 Publicising the Policy

- 12.1 Circle Anglia publicises its policies and procedures on Mutual Exchange to residents and staff in a number of ways:
- Residents' Handbooks
 - Leaflets
 - Residents' Newsletter
 - Residents' Website
 - House Exchange Website
 - CIRANO
 - Policy Briefings and
 - Training

Glossary

GPF	Group Policy Forum
OF HS	Old Ford Housing Services
OF TML	Old Ford Tredegar, Monteith, Lefevre
SMPRG	Senior Managers Policy Review Group

Connected Policies:	Furnished Tenancies Tenancy Types
Forms and Letters:	Deed of Assignment Licence to Assign Mutual Exchange Acknowledgement letter Mutual Exchange Application Form Mutual Exchange Appointment (Assignee) letter Mutual Exchange Appointment (Tenant) letter Mutual Exchange Consent (Circle Anglia) letter Mutual Exchange Consent (Landlord/non-Circle Anglia) letter Mutual Exchange Reference Request letter Mutual Exchange Inspection Form Mutual Exchange Refusal letter Sign-up Form: New Tenancy
Leaflets:	House Exchange