



Title of policy:	Mutual Exchange Policy and Procedure
Version:	1.1
Purpose:	
Updated:	October 2023
Next review:	October 2024
By:	Housing Services Manager

## Introduction

We recognise promoting mutual exchanges encourages tenant mobility and makes best use of our housing stock.

We will assist tenants to move by ways of exchanges wherever possible and encourage tenants to register exchanges with Homeswapper.

We will ensure that practical and appropriate support and services will be available for any vulnerable tenant wishing to move by means of a mutual exchange. This may include help in identifying a suitable property and help with arranging with the move. We will work with the relative agencies to accommodate this.

North Star complies with all current legal and regulatory requirements and will inform the tenant within 42 days of receipt of application whether they have been conditionally granted or refused a mutual exchange.

We will revise this policy in line with any new legislation.

## Objectives

The key objectives of the Mutual Exchange Policy are:

- To encourage tenants who need to move to seek a mutual exchange
- To provide advice and assistance to tenants requesting a mutual exchange
- To ensure mutual exchanges are carried out by way of assignment and to comply with current legislation

## Policy

Mutual exchanges can take place between tenants of the same or different social landlords.

Any request to exchange with another North Star tenant, local authority or other housing association must be made in writing.

Consent or refusal of the mutual exchange will be given within 42 days of the completed application being received. This will be made in writing.



The following tenants do not have the right to undertake a mutual exchange:

- Tenants on an assured shorthold tenancy agreement
- Starter/probationary tenants within the first 12 months of their tenancy or during any extension period

Mutual exchanges are carried out by “Assignment by Mutual Exchange” in which no new tenancy is created. The incoming tenant in each case assumes the tenancy terms.

Each tenant takes on the other’s property, as seen, with no cost to North Star. From 2012, when a mutual exchange takes place, each tenant takes their original tenancy and secure tenants will keep their statutory rights.

Before a mutual exchange can take place, an application form must be completed by all parties wanting to exchange.

A visit will be made to each property. If the incoming tenant is not a North Star tenant, a report will be required from their landlord.

No exchange can take place without the approval of North Star in writing.

The rent account including any court costs should be up to date. There should be no outstanding sundry debtors.

The approval will clearly advise the incoming tenant that they are, in effect, taking over the outgoing tenants’ responsibilities in respect of any breaches of the tenancy agreement.

North Star will accept no responsibility towards the cost of any repairs caused by the outgoing tenants misuse or neglect. It is the responsibility of the incoming tenant to ensure the property is in good repair before accepting the tenancy.

North Star will carry out a Gas Safe and Electrical Test at the time of exchange.

Consent to the exchange may be withheld until the tenant has fulfilled an obligation or requirement of the tenancy (keep all internal fittings in good repair).

We may refuse a request to exchange, only if there are reasonable grounds for refusal and these are specified in the housing legislation.

These will include:

- The tenant or proposed exchange partner has a possession order outstanding against them or a notice of seeking possession which is still in force
- There are rent arrears or court costs outstanding
- Either party is not able to afford to pay the rent and any other charges
- The incoming tenant would substantially under occupy the property (by two or more bedrooms)
- The property is not suitable for the needs of the incoming tenant including overcrowding
- The accommodation has been adapted for a physically disabled person and there would be no person with any physical disabilities living in the property
- The accommodation has been designed and built for a specific group of people and the incoming tenants does not meet the eligibility criteria



- Where there is a local lettings policy in place or Section 106 agreement and make planning permission subject to certain connections. This may restrict lettings to people with local connections to a particular area. An application will be refused if the incoming tenant does not meet the local lettings criteria.

When deciding if the exchange can proceed, we will consider the needs and circumstances of the household concerned. This applies when a household is particularly vulnerable and enabling them to move can be beneficial.



## **Appendix One**

### **Internal Procedure**

An application form from both parties must be completed.

Applicants will be notified within five working days of receipt of their application, their request is being considered and neither party should proceed without written consent.

A housing officer should carry out a home visit out to all addresses.

The incoming tenant accepts the property “as seen” however we may undertake repairs which are our responsibility as a landlord.

Agreement to the exchange may be conditional on factors including remedying property conditions, paying any rent arrears and undertaking any repairs which are tenants responsibility.

If the incoming tenant is a tenant of another Registered Provider or local authority, a reference must be obtained including general conduct of tenancy, any Possession Orders or Notice of Seeking Possession currently in force.

The housing officer is responsible for ensuring the rent account including any court costs is up to date and there are no outstanding sundry debtors.

All mutual exchange applications will receive a decision within the statutory 42-day (6 week) period.

Where consent is granted, the housing officer should liaise with Property Services to ensure Gas safe and Electrical tests are carried out.

The housing officer is responsible for ensuring all Deed of Assignment documents are completed upon exchange.

### **Right to Appeal**

We will use our written complaints procedure for anyone who wants to appeal if they that they have been treated unfairly.

