



**City of London Corporation**  
**Department of Community & Children's Services**  
**Housing Service**

**Mutual Exchanges Policy**

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<b>Approved by:</b>	<i>Housing Management &amp; Almshouses Sub-Committee</i>
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## 1. Introduction

[Mutual exchange](#) is a way for council or housing association tenants to swap their home for another anywhere in the UK. It is a form of tenancy assignment where two social housing tenancies are swapped, and each household moves into the other's property and takes on the existing tenancy agreement for that property.

For secure tenancies, mutual exchange is governed by s.92 and Schedule III to the Housing Act, 1985 ("the 1985 Act").

Mutual exchange can be useful for tenants who wish to move when they have no priority on relevant housing registers. It also allows tenants to move anywhere in the UK, with no need to demonstrate a local link to the area to which they want to move.

## 2. Aims of this Policy

The aims of this policy are to:

- Provide clear information to potential mutual exchange applicants about eligibility
- Explain some important considerations for mutual exchange applicants
- Outline our service standards for mutual exchanges

## 3. Scope

This policy applies to:

- City of London Corporation social housing tenants (i.e. those holding a Secure tenancy)
- Those applying for mutual exchange with a City tenant and who hold an eligible tenancy

It does not apply to:

- Introductory Tenants
- Licensees (e.g. occupants of tied accommodation, or residents of the City of London and Gresham Almshouses)

The law referred to in this policy applies only in England. Tenancies in Scotland, Wales and Northern Ireland are governed by separate rules. It is still possible to exchange an English tenancy with one in Scotland, Wales or Northern Ireland but those tenancies may differ significantly from one granted in England.

#### 4. Finding an Exchange

The tenants are responsible for finding an exchange partner. Exchanges may be found in several ways; there are numerous websites that enable tenants to advertise their properties, or notices may be placed in local facilities such as newspapers or shops. The City pays an annual subscription for [www.homeswapper.co.uk](http://www.homeswapper.co.uk) which means our tenants may use this website free of charge.

The tenants are responsible for making the initial contact with each other and mutually agreeing to exchange their homes. Once they have decided to exchange, the tenants must each contact their respective landlords for permission.

#### 5. Conditions for Exchange

The following conditions must be met to allow the exchange to proceed:

##### ***Permission***

Permission must be sought by both sets of tenants and secured from both landlords before the exchange may go ahead. If it is discovered that an unauthorised exchange has taken place, the tenants will be required to move back.

Mutual exchange may be refused on the following grounds (listed in Schedule III to the 1985 Act):

- The tenant or other person applying for the exchange is under a court order to give up possession.
- Possession proceedings have started, or a Notice of Seeking Possession has been served.
- Where a court order is in force against a tenant for antisocial behaviour.
- The accommodation would be too large or too small for the prospective tenant, or otherwise not reasonably suitable to their needs.
- The premises form part of, or are in the grounds of, a non-housing building or cemetery, and were let to the current tenant as a consequence of their employment.
- The landlord is a charity and the proposed tenant's occupation will conflict with its objectives.
- The property is designed for a physically disabled person, and if the proposed tenant moved in, there would be no such person in occupation.
- The incoming tenant requires a specially adapted property and the one into which they wish to transfer does not have these adaptations.

- The landlord is a special needs housing association or trust, and if the proposed tenant moved in, there would be no one with the relevant need in occupation.
- The accommodation is sheltered, and as above, if the proposed tenant moved in, there would be no one with the relevant need in occupation.
- Incentives were applied, for example money was paid to any party.
- Their tenancy does not qualify, for example the tenant is still within the introductory period of a tenancy.

Some of these grounds do not apply to the City; however, they could apply to the incoming tenant or their landlord.

### ***Property Size***

The City of London will allow incoming tenants to transfer into a property which is one bedroom larger than their need according to our bedroom standard, as set out in the Housing Allocation Scheme. The implications of such a move will be discussed with the incoming tenant to make them aware of the financial implications of such a move, particularly in relation to those in receipt of benefits.

Incoming tenants will not be allowed to transfer into a property smaller than their needs according to the City of London's bedroom standard.

### ***Rent Arrears and other debts***

When an exchange takes place, the tenants take on each other's tenancies. This means that they swap all aspects including rent accounts. There must be no rent arrears, legal orders such as possession orders, or other debts such as repairs recharges outstanding on the tenant's file, as the incoming tenant will become liable for these.

### ***Safety Checks***

Electrical and gas safety checks will be carried out and relevant certificates will be issued before the exchange takes place.

## ***Property Condition***

We will visit the City tenant's property prior to the exchange. If the visiting officer has any concerns, further safety checks or repair works may be required before the exchange may take place.

Any unauthorised property alterations or damage beyond reasonable wear and tear must be rectified by the tenant before the exchange may take place.

The incoming tenant must accept the current decorative condition of the property. No decoration allowance is provided when a mutual exchange takes place.

## **6. Tenancy Type**

### *Tenancies Which May be Exchanged*

Mutual exchanges can only occur between those with eligible tenancies:

- Secure tenancies (Housing Act, 1985)
- Assured tenancies (Housing Act, 1988), provided the landlord is a social landlord, registered provider or housing trust
- Secure Flexible (Fixed-Term) tenancies (Housing Act, 1985 as amended by Localism Act, 2011)
- Fixed-Term tenancies (private registered providers of social housing) where tenancy terms allow this

The City of London Corporation issues Secure Tenancies to its social housing tenants. However, incoming tenants may have a different type of tenancy, for instance an Assured Tenancy with a housing association. If we identify that the incoming tenant has a different type of tenancy, we will bring this matter to our tenant's attention as they must be aware that a tenancy may not offer the same rights and security of tenure as the tenancy they are relinquishing.

### *Tenancies or Licences Which Cannot be Exchanged*

The following types of agreement cannot be exchanged:

- Introductory Secure tenancies (i.e. new City of London tenants in the first 12 months of their tenancy). Once the first year (plus any applicable extension period) is completed successfully, tenants achieve a full Secure Tenancy, which may then be exchanged.
- Licences (e.g. those held by residents of the City of London Almshouses or City Corporation employees occupying tied accommodation)
- Starter Tenancies (housing association tenants)
- Demoted Secure or Assured tenants
- Assured shorthold tenancies

## **7. Repairs, Cleanliness and Decorative State**

The incoming tenant accepts the property as seen. The City of London does not offer any help with decorating or furnishing the property for the incoming tenant.

The incoming tenant is also responsible for the cleanliness of the property once they assume the tenancy. It is not our responsibility to clean the property if it is left in an unacceptable state of cleanliness, or remove any bulk items discarded by the outgoing tenant.

## **8. Timescales**

The mutual exchange must be completed within 42 days of application. However, a mutual exchange may not be completed until all documentation, safety checks and repair works have been fully completed.

## **9. Right to Appeal**

If current tenants or prospective incoming tenants disagree with a decision made by the City of London Corporation, they have the right to appeal the decision. The reasons for the appeal must be provided in writing within 30 days of the decision. A response will be provided within 10 working days of receipt of the appeal.

## **10. Preventing Fraud**

Our staff will take all reasonable steps to confirm identities and prevent fraud. This will normally include:

- Requesting references from the landlord of the incoming tenant.

- Requiring up-to-date identity documents and recent proof of address (no more than 3 months old) – including, but not limited to, current passport, driving license, utility bills, council tax bills and any immigration or leave to remain documents for all relevant household members.
- Undertaking a credit check to both ascertain links to the property and verify the information provided. This may also identify where another property may be owned or occupied by the outgoing or incoming tenant that may mean the exchange may not take place.
- Taking a photograph of the incoming tenant(s).
- In any case where an immigration concern is identified or suspected, these will be referred to the City's Anti-Fraud Team who will undertake further checks with the Home Office.
- In any cases where fraud is identified or suspected, these will be referred to the City's Anti-Fraud Team for consideration of formal investigation.
- The City may undertake or participate in data-matching exercises designed to detect and prevent fraud, this includes the National Fraud Initiative (NFI).

### **11. Policy Exceptions**

In exceptional circumstances, we may consider making a variation to this policy. Our reasoning can be provided to the affected parties on request.

### **12. Monitoring and Performance**

We will monitor our use of this policy and the way in which it is implemented, ensuring that any relevant information is reported at appropriate intervals.

### **13. Training**

We will provide all staff responsible for implementing this policy with comprehensive training as required.

### **14. Equality and Diversity**

This Policy has been subject to a full Equalities Analysis and will be implemented in accordance with our responsibilities and duties under relevant legislation, including the Equalities Act 2010.

### **15. Accessibility**

We will ensure that tenants' needs are considered when implementing this Policy to ensure that they are treated fairly. We will make appropriate arrangements to ensure that customers with distinct communication needs are not unreasonably and disproportionately affected. This could involve providing communications in alternative languages or formats or providing interpretation or transcription as appropriate.

## **16. Data Protection and Information Exchange**

We will comply with our obligations under relevant data protection legislation and regulations. We will process and store personal information securely.

There are some circumstances in which we are required by law to disclose information given to us.

## **17. Policy Review**

We will review this policy at least every three years, or following relevant changes to legislation, regulation or policy.

## **18. Legislation and Regulation**

- The Housing Act 1985, s.92 and Sch. III
- Housing Act 1988
- The Localism Act 2011

## **19. Related documents**

- City of London Corporation Housing Service Tenants' Agreement and Handbook
- City of London Corporation Housing Strategy
- Housing Allocation Scheme
- Shift Allowance Policy
- Tenancy Policy

## **20. Information and Advice**

Further information on mutual exchange can be found on Shelter's [website](#).

<p><b>Department of Community &amp; Children's Services</b></p> <p><b>Housing Service</b></p>	
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<p><b>Changes:</b></p> <ul style="list-style-type: none"> <li>• Clarified classes of people to whom the policy does not apply (introductory tenants etc)</li> <li>• Updated list of tenancies which are eligible for exchange</li> <li>• Various formatting changes to the policy layout (now in standard template)</li> </ul>	

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