



Mutual exchange policy

1.0 Purpose and scope

The purpose of this policy is to set out our commitment to providing an enhanced right to exchange through tenancy agreements, to enable our tenants to move home within Notting Hill Genesis (NHG) stock or more widely between social housing providers.

This policy outlines the types of exchanges that we facilitate and our obligation to ensuring that all exchanges are completed promptly and in line with legislation.

2.0 Definition

Mutual exchange: refers to the process whereby tenants living in social housing swap homes. The exchange can take place between more than two tenants.

3.0 Eligible tenants

The following tenants have the right to mutual exchange:

- Secure tenants have a statutory right to exchange
- Assured non-shorthold tenants have a contractual right to exchange
- Assured shorthold fixed term tenants who have completed the probationary period of their tenancy have a contractual right to exchange.

We consider requests from tenants who have not completed the probationary period of their tenancy on a case-by-case basis. Such cases are only approved if the exchange would happen by way of surrender and re-grant (see 4.2 below).

Supported housing tenants can exchange if they have the same type of support.

4.0 Types of exchange

The type of mutual exchange that takes place varies according to the type of tenancy that the mutual exchange applicant and their exchange partner hold. The exchange will take place either by way of assignment or surrender and re-grant.

4.1 By way of assignment

An assignment is where each tenant passes their tenancy onto their mutual exchange partner. By this process, no new tenancy is created. Assignments take place where:

- Both tenants have lifetime tenancies
- Both tenants have fixed term tenancies. Each tenant takes on the remainder of the fixed term when they are assigned the tenancy.

Secure tenants exchanging with an assured tenant are advised to seek independent legal advice about the loss of any statutory rights as a result of the exchange.

4.2 By way of surrender and regrant

The Localism Act 2011 provides rights for some tenants to swap homes with each other while retaining their security of tenure. By this process, each tenant surrenders their original tenancy and is granted a new one of the same type.

We have extended this right to all tenants who are eligible for a mutual exchange. Where an incoming tenant holds a fixed term tenancy, we issue you them with an assured tenancy, in line with our [tenancy policy](#).

5.0 Grounds for refusal

We approve or refuse all mutual exchanges within 42 days of receiving a full application with supporting documents from an NHG tenant.

The grounds for refusing an exchange vary according to the tenancy types of mutual exchange applicants. Exchanges between lifetime tenants may be refused on grounds listed in Schedule 3 of the Housing Act, while the grounds for refusal for exchanges involving a fixed term tenant are listed in Schedule 14 of the Localism Act. The grounds for refusal can be found in [appendix 1](#).

5.1 The size of the home

We deem a home as being too large if an incoming tenant would under-occupy the home by more than one bedroom. This is according the size criteria set out below. We only consider allowing a tenant to under-occupy if they are already under-occupying in their current home.

We only consider allowing an incoming tenant to move into a home that is deemed too small on the condition that the move would not result in statutory overcrowding.

We allow for one bedroom for each person (single adult) or couple living as a household and an extra bedroom for:

- Any other person aged 16 years or over
- Two children of the same sex under the age of 16
- Two children who are under the age of 10 regardless of sex
- Any other child aged under 16
- A child or adult who requires overnight care from a non-resident carer
- A child or adult who is unable to share a bedroom because of a disability
- Storing large disability-related equipment, where this space is needed
- A resident who has been accepted as an adoptive or foster parent and requires an extra room at the time of assessment

5.2 Conditions for consent

Where a ground for refusal does not apply, we may withhold consent to an exchange until all obligations under the tenancy have been met, including:

- The home is in a good condition
- All rent and service charge has been paid.

Top Tip

Tenants exchanging homes are encouraged to carry out their own inspection of the home prior to the exchange, and for making any agreements or arrangements regarding the condition of the home with the outgoing tenant.

6.0 Supporting mutual exchanges

We encourage tenants to register with services that facilitate mutual exchanges, including internet-based services. If a resident requires support with the mutual exchange process, we will consider the support we can provide in line with our [vulnerability policy](#).

We take reasonable steps to publicise the availability of any mutual exchange service. We advise tenants on new platforms for mutual exchange when we become aware of them. A mutual exchange may be promoted where a resident is likely to be waiting for a transfer for a long period of time.

We are aware and understand the (external) barriers that some residents may have to overcome when trying to mutual exchange, such as overcrowding and trying to stay close to family networks and we will provide advice and support where possible.

7.0 Gas and electrical checks

Mutual exchanges are dependent on having a valid gas and electrical certificate. Before a mutual exchange can be accepted, the resident must allow for gas and electrical checks to be carried out in their home. If access is not provided, this could delay the 42 day application response.

8.0 Appeals and complaints

7.1 Appeals

An applicant can appeal a decision if they are dissatisfied with the way their application for mutual exchange has been handled. Appeals are considered by the lettings panel.

The lettings panel is made up of colleagues from across the business and considers general needs appeals. Applications are considered on a monthly basis, and the outcome of the application must be agreed on by all members of the panel.

7.2 Complaints

An applicant can make a complaint if they are dissatisfied with a service received or a service failure by us. A tenant can contact us through different channels as outlined on our [website](#).

9.0 Sustainable tenancies

We aim to ensure tenancies are sustainable to avoid establishing tenancies that do not work for our residents. While we would not refuse an exchange due to concerns around affordability, we may complete an affordability assessment to help support a tenant's mutual exchange request to evaluate the suitability of the tenancy for them. We emphasise to the tenant the risk they face of losing their tenancy by exchanging into an unaffordable home.

We have a tenancy sustainment and safeguarding team who provide support for residents to maintain their tenancies.

10.0 Exchange without consent

In circumstances where tenants have swapped homes without our formal consent, both tenants will be in the serious position of:

- Having no legal interest in the tenancy at the home they have moved to
- Being liable for the rent and other obligations of their original tenancy
- Losing their home and security of tenure as they are no longer occupying the property as their main or principle home.

11.0 Information sharing

Information regarding our residents is sensitive and we maintain confidentiality in line with our data protection policies. However, for the exchange to take place, we are required to share information about the applicant's tenancy history with the exchange partner's landlord or staff where both applicants are NHG tenants. We make applicants aware that information will be shared when they apply to exchange.

12.0 Our approach

In writing this policy we have carried out assessments to ensure that we are considering equality, diversity & inclusion. To request a copy of the assessment, contact policy@nhg.org.uk

13.0 Reference

- Housing Act 1985
- Localism act 2011
- Fire Safety Act 2021
- Building Safety Act 2022

Document control

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Version Control

Date	Amendment	Version
	New NHG policy	1.0
03.02.2022	Policy review	2.0
02/11/2024	Policy review. Changes: <ul style="list-style-type: none">• Sustainable tenancies section added• Supporting mutual exchanges section- how the policy aligns with the Vulnerability Policy in support we can provide.• Section added on appeals and complaints.• Under-occupying- residents can only under-occupy if they were already.• Gas and electrical checks section added to outline the process.	3.0

Appendix 1 – Grounds for refusal

Schedule 3 of the Housing Act 1985	Schedule 14 of the Localism Act 2011	Grounds for refusing consent to exchange
-	<i>Ground 1</i>	When any rent lawfully due from a tenant under one of the existing tenancies has not been paid.
-	<i>Ground 2</i>	When an obligation under one of the existing tenancies has been broken or not performed.
<i>Ground 1</i>	<i>Ground 3</i>	A court order for possession or a suspended possession order has been made for either property.
<i>Ground 2</i>	<i>Ground 4 & 5</i>	The landlord has served a notice of seeking possession and the notice is still in force, or possession proceedings have commenced.
<i>Ground 3</i>	<i>Ground 7</i>	The property is substantially larger than is reasonably needed by the proposed assignee.
<i>Ground 4</i>	<i>Ground 8</i>	The property is not reasonably suitable to the needs of the proposed assignee and their household.
<i>Ground 5</i>	<i>Ground 9</i>	The property is part of or close to a building that is held for non-housing purposes, or it is situated in a cemetery and was let in connection with employment with the landlord or with a local authority, a new town corporation, housing action trust, an urban development corporation, or the governors of a grant-aided school.
<i>Ground 6</i>	<i>Ground 10</i>	The landlord is a charity and the proposed assignee's occupation of the property would conflict with the objects of the charity.
<i>Ground 7</i>	<i>Ground 11</i>	The property has been substantially adapted for occupation by a physically disabled person, and if the assignment went ahead a physically disabled person would not be living there.
<i>Ground 8</i>	<i>Ground 12</i>	The landlord lets properties to people in difficult circumstances (other than merely financial circumstances) and the proposed assignee would not fulfil this criteria.
<i>Ground 9</i>	<i>Ground 13</i>	The property is let to people with special needs and there is a social service or special facility nearby to the properties to assist people with those special needs, and if the assignment was to go ahead no person with those special needs would be living there.
<i>Ground 10</i>	<i>Ground 14</i>	The dwelling is the subject of a management agreement where the manager is a housing association of which at

		least half the members are tenants subject to the agreement, and at least half of the tenants of the dwellings are members of the association, and also that the proposed assignee is not such a member nor is willing to become one.
<i>Additional ground (Housing Act 2004)</i>	<i>Ground 6</i>	An injunction order under Section 153 Housing Act 1996 or an anti-social behaviour order or a Demotion Order or a possession order under Ground 2 for secure tenancies or Ground 14 for assured tenancies is in force or an application for one of those is pending either against the tenant, the proposed assignee or a person who resides with either of them.