



Newport City Homes

Mutual Exchange Policy

(P11)

1. Introduction

- 1.1 The rising demand for affordable housing both nationally and locally places greater emphasis upon making the best use of housing stock.
- 1.2 Newport City Homes (NCH) will promote its mutual exchange scheme to help ease housing pressures and assist resident mobility.
- 1.3 We will adopt practices to encourage and facilitate mutual exchanges. Advice and assistance will be given to residents who wish to exchange to an area outside of Newport.
- 1.4 This policy details the arrangements by which Newport City Homes will process requests to mutually exchange properties.

2. Policy statement

- 2.1 A mutual exchange occurs where two or more residents agree to 'swap' their homes with the approval of their respective landlords. They will assign their tenancies to each other. The tenancies do not end and no new tenancies are granted.
- 2.2 Assured tenants have the right to seek to exchange their tenancy by way of assignment with:
 - An existing assured tenant of NCH
 - An assured tenant of another Housing Association
 - A secure tenant of another Local Authority
- 2.3 Assured shorthold (starter) tenants do not have the right to exchange their property, until they have successfully completed their trial period and been granted full assured tenancy status.
- 2.4 The key objectives of the mutual exchange policy are to:
 - Enable residents to have choice and flexibility in the areas they wish to live in
 - Provide advice and assistance to residents requesting mutual exchanges
 - Ensure mutual exchanges are carried out by way of assignment and comply with the law
- 2.5 We will approve requests to exchange provided that certain conditions are met in accordance with Section 92 and Schedule 3 of the Housing Act 1985 (secure tenancy legislation as applied to assured tenancies).

3. Principles of the policy

3.1 NCH will promote the mutual exchange scheme as a way of assisting people to locate a home within their preferred choice of area.

3.2 We will thoroughly investigate all requests for a mutual exchange before permission is granted.

3.3 We cannot unreasonably withhold permission for a mutual exchange. However, there are certain circumstances where there are reasonable grounds for refusing permission, including where:

- Either the outgoing tenant or incoming tenant is subject to a possession order;
- Proceedings for possession have been begun or a notice seeking possession has been served upon the outgoing or incoming tenant, and in either case the grounds relied upon are the “fault based” grounds in schedule 2 Housing Act 1988 (grounds 8 or 10 to 17 inclusive);
- A Demotion Order, injunction on the grounds of anti-social behaviour or an anti-social behaviour order has been made or applied for against the outgoing or incoming tenant, or a person residing with either of them. Where legislation has changed the orders available, the equivalent change will be included;
- The property is too large or too small for the incoming tenant. A property will be too small if it would be overcrowded for the purposes of the Housing Act 1985 space standards. A property will be too large if there would be any spare bedroom, taking into account the following allocations criteria:
 - One bedroom per adult, or if there is more than one adult but they are a couple, per couple
 - One bedroom for two children up to the age of ten
 - One bedroom for two children aged ten to sixteen of the same sex
- The property is not suitable for the needs of the incoming tenant;
- The property was let to the tenant in connection with his or her job;
- The property has been adapted or designed for someone with particular needs, and if the exchange was permitted there would be no-one with those needs living there;
- The property is part of a development or group of properties such as a sheltered housing scheme, or a property designated for supported housing where special services or facilities are provided for persons living there, and the incoming tenant does not need those services or facilities;
- Where there are other exceptional circumstances where it would be reasonable to refuse an exchange.

3.4 In addition, NCH will not permit an exchange where it would breach planning restrictions, such as:

- S106 local connection restrictions
- Planning agreement restrictions which affect the local allocations or lettings policy

- 3.5 Where an exchange involves a resident of another landlord, that landlord must also give their consent to the exchange.
- 3.6 Property condition inspections will take place on all homes to assess their state of repair and decorative condition. Conditional approval to exchange may be given where repair works that are the outgoing resident's responsibility are required to the property.
- 3.7 If there is any other breach of the NCH tenancy identified, we will be entitled to make the exchange conditional upon the breach being remedied. This includes where there are arrears of rent.
- 3.8 Where a resident has an under-occupation deduction from their housing benefit or universal credit payments, consideration may be given to allowing the exchange to proceed prior to full compliance with conditions attached to the exchange.
- 3.9 Where a resident is moving to another NCH owned property, any exchange approved with rent arrears will be conditional upon the resident agreeing that the arrears should be treated as 'rent' under the tenancy for the new property.
- 3.10 Residents who apply for a mutual exchange will be advised of any changes to their rights and terms of tenancy resulting from an exchange with a resident of another landlord.
- 3.11 In the event of an exchange taking place without express permission, we will promptly seek to ensure that the residents return to their own authorised tenancy.
- 3.12 If residents refuse to return to their authorised tenancy address, legal action may be taken to end their tenancy through the illegal occupation policy. If residents have not assigned their tenancies to each other, then they will be trespassers in the property they have moved to, and will have lost security of tenure in the property they have left. If they have assigned the tenancy, then possession will be sought.

4. Relevant legislation, regulatory compliance and other relevant NCH polices/documents

- 4.1 NCH will ensure that mutual exchange requests are processed in accordance with relevant legislation and statutory requirements, including the following:
- Tenancy agreement
 - Residents handbook
 - Housing Acts 1985,1988

4.2 This policy links closely with the following policies and documents:

- Empty Property Management policy
- Abandoned property policy
- Lodgers and Sub-letting policy
- Home Options Allocations policy
- Abandoned property policy
- Illegal occupation policy

5. Implications for NCH

Risk implications

5.1 A failure to encourage and support mutual exchange applications will restrict resident choice and mobility.

5.2 It will also have a detrimental effect on the ability of NCH to help meet housing need and demand.

Equality Implications

5.3 NCH is committed to giving an equal service to all. Any action taken under this policy will comply with current equalities legislation.

5.4 Staff will operate within the Equality and Diversity policy statement and seek to address any specific needs which may arise.

5.5 We will in all reasonable circumstances make information available in a variety of information formats, including:

- large print
- audio tape
- community languages

Welsh Language Implications

5.6 NCH recognises the right of people to conduct their business through the medium of Welsh.

5.7 We will meet the requirements of the Welsh Language Act 1993 and offer a choice of using English or Welsh when communicating with us.

Resident Participation Implications

- 5.8 NCH will provide performance information to residents so they can measure and evaluate the quality and effectiveness of the services delivered.
- 5.9 We will listen to residents' views at every opportunity to enable continuous improvements to services, in line with our Resident Participation Strategy.

6. Policy management and review

Policy monitoring

- 6.1 To help achieve our aim of being a continuously improving organisation and to ensure that we meet all statutory obligations, we have systems and processes in place which allow us to monitor and evaluate our performance.

Review

- 6.2 All policies have been developed jointly by members of the Board, City Wide panel and staff.
- 6.3 This policy will be reviewed by the Board every three years unless there is a change in legislation