

Cheshire West & Chester Council

Council Housing

Mutual Exchange Policy

Issue date: July 2024
Review date: July 2027



Cheshire West
and Chester

1. Management Information

Approval Date:	July 2024
Next Review Date:	July 2027
Policy Owner:	Janet Lawton, Head of Council Housing Management Board
Responsible Service Area:	Council Housing Management Service
Responsible Director:	Director of Economy and Housing

2. Introduction

This Policy sets out the Council's approach to mutual exchanges. It explains the purpose of the policy, who it applies to, and how it supports secure tenants wishing to move home. The policy outlines the council's role, the legal requirements, and the support available to tenants so that applications are managed fairly, consistently and in line with national legislation.

3. Aim of Policy

A mutual exchange is a procedure which allows secure tenants of the Council or other Councils or Housing Associations to swap homes and tenancies with each other. The method by which a tenant swaps homes with another tenant is through a legal process known as assignment.

4. Strategic context

This policy helps the Council to meet the following national and local strategic aims.

Social Housing Regulations Act 2023 – Consumer Standards

- Transparency, Influence and Accountability Standard
- Tenancy Standard

[CWAC Borough Plan 2024 – 2028](#) - sets out how the Council will work with all its residents to build a stronger future where the Council and residents all play their part in creating thriving, caring and sustainable communities.

The Borough Plan has six missions as follows:

- Starting well - The best start for the borough's children and young people, with improved opportunity, a healthier start, greater resilience in families and the best possible support and care when it is needed.
- Tackling hardship and poverty - More people feel more financially secure as the causes and impact of hardship and poverty are addressed by working alongside residents.
- Resilient people living their best lives - Local people are enabled to flourish, be healthy, happy and independent for longer in supportive communities.

- Opportunity in a fair local economy - Local people and businesses contribute to and benefit from a strong and fair local economy.
- Neighbourhood pride - Residents live in well maintained, connected and safe places with good and affordable homes.
- Greener communities - Individuals, public services and businesses take action to move to tackle the climate emergency, achieve net zero, protect the natural environment and adapt to the impact of climate change.

[Together with Tenants Charter | Cheshire West and Chester Council](#)
[Tenant Engagement Strategy 2025-30](#)
[Council Housing Asset Management Strategy](#)

5. Definitions and legislation

Mutual Exchange

Information about Mutual Exchanges can be found on the Council website. Advertised homes can be found via Homeswapper www.homeswapper.co.uk.

In all cases permission from the Council is required before a mutual exchange can take place. If a tenant carries out a mutual exchange without the Council's permission, then they will no longer be a secure tenant, and the Council may take legal action to recover the property.

Support will be provided to tenants through the process to ensure that all applications are processed as effectively as possible. Any tenants who have support needs will be provided with further support to ensure they have equal access to services.

The law relating to mutual exchanges is contained within the Housing Act 1985. Section 92 of this Act provides that it is a term of every secure tenancy that the tenant may, with the consent of the landlord, assign the tenancy to another secure tenant who also has the written consent of their landlord. The Local Government and Housing Act 1985 extended the right allowing secure tenants to assign the tenancy with assured tenants of housing associations.

Legislation

Every Secure tenant has the right to exchange with another secure tenant provided they first obtain the written permission of the landlord(s) concerned. Permission can be withheld only on certain grounds and a refusal stating the ground(s) must be served on the applicant within 42 days of the application. If a refusal notice is not served the Council forfeits its right to refuse.

The consent for a mutual exchange should not be withheld except on one or more grounds set out in Schedule 3 of the Housing Act 1985 (as amended by the Housing Act 2004). The Council may therefore refuse permission for a tenant to assign their tenancy to a mutual exchange partner for one of the following reasons:

- The tenancy is subject to a court order
- The tenancy is subject to a current notice of seeking possession

- Legal action has been taken against the tenant because of anti-social behaviour or the matter is waiting to be heard before the Courts
- The property the tenant wishes to move to is too large for their needs (one spare bedroom is normally considered reasonable)
- The property the tenant wants to move to is too small for their needs
- The property was let because of employment and forms part of, or is in the grounds of, a non-housing building
- The property has features which make it particularly suitable for people with disabilities, or the property is one of a group let to people with special needs with specific facilities nearby and the exchange would result in no one with the relevant needs being in occupation
- The property is a sheltered property, and the exchange would result in no one with the relevant needs being in occupation

Approval may be given subject to certain conditions e.g. clearing of rent account arrears or remedying of any other breach of tenancy conditions.

6. How the policy will be delivered

The delivery of this policy and associated procedures will be the responsibility of the Council. This Policy will be available to all employees through the intranet and regular training will be provided to relevant employees on all policies and procedures.

If staff become aware that there are problems with effective operation of the policy or the associated procedures, they should report this to the policy owner. This feedback will be incorporated into the policy / procedural review process.

Notifying the applicant

The Council has a maximum 42 days from receipt of the mutual exchange application to provide the tenant with a written answer. The Council may not rely on any of the above grounds set out in Schedule 3 unless we have, within 42 days of the tenant's application for the consent, served on the tenant a Notice specifying the ground and giving particulars of it. Should the tenant not be informed of these grounds within 42 days then they may proceed with the exchange. However, the Council can also attach reasonable conditions. These must be met before the exchange can take place.

Attaching Conditions

Where rent lawfully due from the tenant has not been paid or an obligation of the tenancy has been broken or not performed, approval and consent may be given subject to a condition requiring the tenant to remedy a breach of the terms of the tenancy or perform an obligation of the tenancy. Therefore, permission may be given for an exchange, but the tenant cannot move until for example they pay any outstanding rent, carry out certain repairs or pay any outstanding rechargeable repairs.

Introductory Tenancies

The Council will not consider an application to assign a tenancy by way of an exchange from a tenant holding a non-secure tenancy. However, the Council may grant a non-secure tenant seeking an exchange a secure tenancy provided all the terms of the

tenancy have been adhered to. The tenant can then seek permission to carry out the exchange.

Rent Levels

The rent and any other charges or services charges that are charged to the current tenant will be the rent charged to the incoming tenant.

Under-occupation

Mutual exchanges will not be considered where under occupation will occur. Under occupation will occur when there will be more than one spare bedroom, e.g. a single person or couple can occupy a property up to two bedrooms (except in the case of houses); a single person or couple with one child can occupy up to three bedrooms; a single person or couple with two children can occupy four bedrooms. The Council will not give consent for an exchange which will allow a single person to move to a two-bedroom house. Such a house together with a garden area would be substantially more extensive than is reasonably required by a single person. An exchange to a two-bedroom flat will not normally be considered as substantially more extensive than reasonable required for a single person.

Overcrowding

The Council will also refuse an exchange where overcrowding would occur. Overcrowding will occur where the number of persons exceeds the standards laid down in the Housing Act 1985. The overcrowding standards in the Act are generous, because it assumes living rooms and dining rooms can be used as bedrooms and the Council will need to carefully consider such applications.

If the exchange will result in the permitted number of persons allowed being exceeded, but the property is not overcrowded according to the standards laid down in the Housing Act 1985, the property will not be legally overcrowded. If the officer has concerns as to whether the property will in practice be large enough for the tenant, these will be discussed with the Neighbourhood Services Lead. The officer will then speak to the tenant to advise that the property appears to be too small for the tenant's needs and explain that if they wish to apply to the housing register after carrying out the exchange, but due to the shortage of properties, they will almost certainly have a very long wait for a more suitable property.

Adapted properties

Tenants with disabilities whose property has been adapted may wish to exchange to a property without adaptations. Each case will be assessed on its merit and as per the relevant legislation.

Appeal

If a tenant is refused a mutual exchange, they can appeal by contacting the Council. The appeal will be dealt with according to the complaint's procedure.

7. Equality and reasonable adjustment statement

We value diversity and work to create an inclusive environment for customers and staff, where everyone has access to the same opportunities. We welcome our responsibility to comply with equalities legislation and regulatory requirements that relate to equity, diversity and inclusion and aim to do more. Through our activities we aim to remove systemic barriers to equal opportunities and eliminate all forms of discrimination, harassment, and victimisation within our organisation.

We are committed to providing excellent customer services, which are fair, equitable and inclusive. As such, we will endeavour to understand and make any reasonable adjustments required for customers in line with our Reasonable Adjustment Statement and the Equality Act 2010. Any reasonable adjustment provided will be recorded and kept under active review.

8. Related Documents

- Mutual Exchange Procedure.

9. Equality Analysis

Results of EA / Actions taken forward to mitigate any potential negative impacts	Inform that this policy can be provided in alternative formats. Inform about the ongoing equality and diversity training for staff in the delivery of this policy.
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See appendix 1 for full Equality and Diversity Impact Assessment.

10. Consultation and Business Intelligence

The policy was created in consultation with the Council's tenants, leaseholders and staff.

11. Monitoring and review

The Council Housing Management Board has responsibility for the monitoring and review of this policy. This policy will be reviewed every three years starting from the date it is approached and adopted.

Delivery of mutual exchange services will be measured using existing methods including continued monitoring of:

- Satisfaction with services
- Redress levels and satisfaction with resolution
- Performance and Service Standard levels

If staff become aware that there are problems with effective operation of the Policy or the associated procedures, they should report this to the Policy Owner. This feedback will be incorporated into the policy / procedural review process.

12. Approval and Review History

The approval route for all policies and procedures is via the Cabinet Member for Homes and Planning who has delegated powers for policy approval from the Council's Executive Cabinet.

Date	Version	Approved by
28/07/2022	V1	Cabinet Member for Homes and Planning
02/07/2024	V2	Cabinet Member for Homes and Planning
19/09/2024	2.1	Cabinet Member for Homes and Planning
17/09/2025	2.2	Cabinet Member for Homes and Planning
28/05/2025	2.3	Cabinet Member for Homes and Planning

13. Document Revision History

Date amended	Version	Key Changes
	1.1	Original Version
24/08/2021	1.2	Revised version following tenant feedback Appeal information added
03/05/2024	2	No changes
28/06/2024	2.1	Revised version following tenant feedback <ul style="list-style-type: none">Improved layout and wordingAdditional information within Rent Levels sectionInformation on support provided to tenantInformation about where this is publicisedMade clear that this policy document can be provided in alternative formats.Informed about the ongoing equality and diversity training being provided to staff in the delivery of this policy.
17/09/2025	2.2	Revised version to take into account the insourcing of the housing management service from ForHousing.
22/05/2026	2.3	Policy revised following insourcing of housing management services, updates to revised service structure and contact information. No substantive changes have been made to the policy.

Appendix 1 – Equality and Diversity Impact Assessment

Area of activity or change	Mutual Exchange Policy
IMDF Approval	Allan Batty, Senior Housing Policy Officer

STAGE ONE - SCOPING	Outlines the decision that is being made any why
STAGE TWO - RESEARCH	Outlines the collaboration and research that will inform this decision
STAGE THREE - FINDINGS AND NEXT STEPS	Considers how learnings from research and engagement are being embedded, the potential impact of the decision on different people and how these can best be managed.

STAGE ONE – SCOPING	
Consider points such as: <ul style="list-style-type: none"> Where has the proposed activity or change come from and why is it needed? Why is it important to Council? How will this affect the tenant / customer journey or colleague experience? 	What activity or change is being proposed and why? <ul style="list-style-type: none"> Review new policy to ensure it meets the requirements of staff, the Council and its tenants Review new policy to ensure that it complies with best practice guidance as per the Regulator of Social Housing Consult with tenants and staff
	What benefits are you trying to achieve? <ul style="list-style-type: none"> Policy to consider all requirements Policy to be clear about being developed by best practice guidance Policy to be informative, to be clear and in plain English Meet the needs of staff, tenants and leaseholders
STAGE TWO – RESEARCH	
Consider points such as: <ul style="list-style-type: none"> What groups or individuals will you approach to discuss this? How will you ensure that these people are diverse and representative? (See Equity and Diversity table in stage three) Is there any data you can look at to support you? 	Who will help develop your thinking so that different experiences and perspectives are included? <ul style="list-style-type: none"> Consultation with tenants and leaseholders using closed facebook page. Undertake an equality impact assessment to identify any positive and/or negative impacts on protected characteristics.
	What research will you do to inform your understanding? <p>The Housing Act and Part 6 of the 1996 Act and the government guidance for the allocation of properties available at gov.co.uk provides the statutory guidelines for this policy. Review all relevant requirements, including good practice from the Regulator of Social Housing.</p>

STAGE THREE – FINDINGS AND NEXT STEPS

Consider points such as: <ul style="list-style-type: none"> • What have people told you are some of the key issues? • What good practice is happening in other organisations? • What changes are you planning to make because of the things you've found out? 	What have you learnt from your research and engagement? <ul style="list-style-type: none"> • Consultation with tenants informed on minor changes to the policy which is recorded in the final document.
	How will you embed what you've learnt into your activity or change? <ul style="list-style-type: none"> • Make relevant minor changes to the policy • Inform within the document that this can be provided in alternative formats. • Inform about the ongoing equality and diversity training being provided to staff in the delivery of this policy.

Equity and Diversity - Not everyone has the same access to opportunities or services, and the things that make us different – such as the characteristics listed below – can affect our experiences and outcomes. Therefore, it is important to consider how different people could be impacted by any activity or change we want to bring about.

How could the proposed activity or change affect people with these characteristics (positively or negatively)?		-		+
Age (Younger or older people)	No Change - Tenants that need extra support to mutual exchange will be known due to tenant profiling data and any needs taken into consideration when deciding to approve the mutual exchange.			
Caring responsibilities (Parents and those looking after an older or disabled person)	No Change - Tenants who need an extra room or caring facilities would be known via tenant profiling and any needs taken into consideration			
Digital inclusion (People without access to digital platforms or devices)	No change - For those without digital access help can be provided to the tenant by their local Neighbourhood Housing Officer who can complete the mutual exchange online application for their tenant.			
Educational attainment (People who have experienced barriers to formal education)	No equality considerations identified			
Ethnicity, race and nationality (Including migrants, refugees and asylum seekers)	No equality considerations identified.			
Financial inclusion (People experiencing financial barriers or challenges)	No equality considerations identified, social housing is considered the most financially viable option for people on low incomes.			
Marriage / civil partnership (Legal union between different-sex or same-sex couples)	No equality considerations identified			
Mental health (People with a mental disability or ill-health)	No Change - This could be considered as a medical need and would be considered by the local Neighbourhood Housing Officer and their manager if required. Any identified			

	needs would be taken into consideration when deciding to approve the mutual exchange.	
Neurodiversity (Such as people with ADHD, Autism, Dyslexia, Dyspraxia)	No Change - This could be considered as a medical need and would be considered by the local Neighbourhood Housing Officer and their manager if required. Any identified needs would be taken into consideration when deciding to approve the mutual exchange.	
Physical health (People with a physical disability or ill-health)	No Change - This could be considered as a medical need and would be considered by the local Neighbourhood Housing Officer and their manager if required. Any identified needs would be taken into consideration when deciding to approve the mutual exchange.	
Pregnancy and maternity (Someone who is pregnant or has recently given birth)	No equality considerations identified	
Religion, faith or belief (All religions and faiths, including people with no religion)	No equality considerations identified	
Sex (Men and women)	No equality considerations identified	
Gender identity (Including trans and non-binary people)	No equality considerations identified	
Sexual orientation (Such as Lesbian, Gay and Bisexual people)	No equality considerations identified	
Any other characteristic	No equality considerations identified	

Managing positive and negative effects	
Consider points such as:	If potential negative effects have been identified, how will any harm be reduced or avoided? We are following all legal and regulatory requirements however, there are some specific guidance and rules around mutual exchange which will need to be observed.

<ul style="list-style-type: none"> • Do you need to escalate any issues or seek legal advice? • Can you see any opportunities to promote or celebrate positive outcomes? • How will you build monitoring into the implementation of your activity or change and who will you report to? 	<p>If potential positive effects have been identified, how can we ensure these are realised? When deciding to approve a mutual exchange or not the Council through its Landlord Service must ensure that both the outgoing and incoming tenants are supported throughout the mutual exchange process and that their housing needs are best met by the move.</p>
	<p>How and when will the impacts of your activity or change be monitored moving forward? The Council will continue to comply with regulatory and statutory guidance.</p>

