

FAREHAM

BOROUGH COUNCIL

Report to Housing Scrutiny Panel

Date: 27 June 2024

Report of: Director of Housing

Subject: Mutual Exchange Policy

SUMMARY

The purpose of this report is to inform Members of the new Mutual Exchange Policy and Frequently Asked Questions (FAQs) for Council Housing tenants.

RECOMMENDATION

It is recommended that the Housing Scrutiny Panel provide any comments or observations on the draft Policy in advance of the Council's Executive being asked to approve the Draft Mutual Exchange Policy for a period of public consultation.

INTRODUCTION

1. Under part IV of the Housing Act 1985, eligible tenants of social housing have the right to exchange their home with another eligible tenant. This is referred to as a 'mutual exchange'.
2. The new Mutual Exchange Policy (hereby referred to as 'the Policy') provides comprehensive information on the mutual exchanges process, the background and relevant legislation. This updates the information already outlined on the Council's Housing webpages.
3. This report provides information on the Policy and the accompanying FAQ. It also includes information on the consultation process, prior to adoption.

LEGISLATION

4. Mutual exchanges are regulated by the legislation within the Housing Act, later amended by the Localism Act 2011. In summary, tenants are able to exchange their social housing property provided they meet a number of eligibility requirements, as follows:
 - The exchanging parties are tenants of a Council, Housing Association, Arm's Length Management Organisations (ALMOs) or a Housing Trust that is a charity.
 - Tenants from other organisations or local authorities must be on a lifetime or fixed term / flexible tenancy.
 - Fareham Council tenants must be on a secure or flexible tenancy. Tenants on an introductory tenancy will only be considered once they have completed their probationary period.
5. The Consumer Standards, set by the Regulator of Social Housing, introduced new requirements ('Standards') on how social housing tenants are treated. The Tenancy Standard states '*Registered providers must support relevant tenants living in eligible housing to mutually exchange their home*'. The Council already provides this service; however, it is seeking to make the process clearer for tenants. The Policy provides further clarification for Officers, ensuring mutual exchanges can be completed smoothly.
6. The Transparency, Influence and Accountability Standard of the new Consumer Standards, details the need to provide tenants with accessible information. Therefore, an accompanying FAQs (Appendix B) and process chart (Appendix C) have been drafted to meet this criterion. Outlined further in this report is the approach on tenant engagement; the purpose is to confirm the policy and accompanying documents are clear.

THE PROCESS

7. Tenants are responsible for finding another resident to exchange with. They can do this through a national exchange scheme called 'Homeswapper', available online. Alternatively, they are free to use other methods such as social media to find a property.
8. Once both tenants are satisfied that the properties meet their requirements, they will complete a mutual exchange application, available from their Neighbourhood Officer

(NO). The NO will visit the property and advise the tenant if there are any works to be completed prior to any move. The tenants will be given the opportunity to ask questions at any stage to ensure that they are clear on the process.

9. It is important that the tenant understands the condition they are receiving the property in, including anything they may become responsible for. Any repairs that need to be undertaken will be carried out prior to the move or a mutual agreement made that the property is taken as seen. The tenant will also be advised of any other implications, such as service charges.
10. An application needs to be decided within 42 days. If approved, the tenants will be required to attend an appointment to sign a Deed of Assignment. This document details the ingoing and outgoing tenants. The exchange can then complete.
11. The mutual exchange service and any support from the Council is free of charge.

REFUSALS

12. Exchanges can only be made following approval from both landlords. However, there are only limited reasons for refusal allowed. These include outstanding rent arrears, if there are substantial adaptations in the property which the incoming tenant doesn't require, or the tenant is subject to an ASB. Other grounds for refusal are detailed in the Policy.
13. If an exchange is refused, the tenant(s) will be informed of the decision and the grounds for refusal in writing. Tenants will need to go through the formal complaints procedure if they find the reasons for the refusal to be unsatisfactory.
14. If the applicant is not a Council tenant, it is their responsibility to appeal the decision directly with their landlord.

NEXT STEPS

15. It is proposed that the draft Policy will go before the Executive with any comments or observations from the panel. Approval will also be sought for public consultation on the Policy. Although the Policy is bringing together existing legislation, the consultation will ensure that the contents are clear for tenants. Consultation will be carried out in accordance with the draft Tenant Engagement Strategy.
16. Once the consultation has concluded, any appropriate adjustments will be made to the Policy. This will be ahead of it returning to the Executive for adoption.

EQUALITY IMPACT ASSESSMENT

17. An Equality Impact Assessment (EIA) has been undertaken of the draft Policy. This is included as Appendix D to this report. The EIA has not identified any detrimental equality impacts as a result of the proposed policy.

RISK ASSESSMENT

18. There are no significant risk considerations in relation to this report.

CONCLUSION

19. The draft Mutual Exchange policy sets out the process and legislation for Council housing tenants to swap their home with another social housing tenant. It is intended that the document provides enough detail to ensure applicants are clear on the procedure and understand that no charges will be made. The Panel is invited to make any comments or observations that will be noted in the report to the subsequent Executive meeting.

Appendices: A - Fareham Housing Mutual Exchange Policy
 B – Fareham Housing Mutual Exchange Frequently Asked Questions (FAQs)
 C – Fareham Housing Mutual Exchange Process Chart.
 D – Equalities Impact Assessment

Background Papers: None

Reference Papers: None

Enquiries:

For further information on this report please contact Fleur Allaway 01329 824304.