

FAREHAM

BOROUGH COUNCIL

Report to the Executive for Decision 07 October 2024

Portfolio:	Housing
Subject:	The Draft Fareham Housing Mutual Exchange policy
Report of:	Director of Housing
Corporate Priorities:	Provides Housing Choices

Purpose:

To seek Executive approval for the Draft Fareham Housing Mutual Exchange policy for adoption.

Executive summary:

Under Part IV of the Housing Act 1985, all eligible tenants of social housing have the right to exchange their tenancies with one another. This is referred to as 'mutual exchange'.

The new Mutual Exchange Policy provides comprehensive information regarding the mutual exchange process, the background and relevant legislation, including the recent changes made by the Regulator of Social Housing.

At its meeting on the 27 June 2024 the Housing Scrutiny panel approved the document to go to Executive with no comments or suggestions. Following Executive agreement on 15 July, the draft Mutual Exchange policy was circulated for public consultation from 29 July to 16 September.

This report summarises the outcome of the consultation and details the changes made in response.

Recommendation/Recommended Option:

That the Executive agrees the Draft Fareham Housing Mutual Exchange policy be adopted.

The Executive notes the outcome of the consultation, and the changes made to the Policy and accompanying documents.

The Executive agrees to delegate powers to make any amendments needed in line with future updates to Government guidance to the Director of Housing, following consultation with the Executive Member for Housing.

Reason:

To enable the delivery of Fareham Housing's Mutual Exchange scheme in line with all relevant legislation and guidance, and to allow the fair and consistent application of the process.

Cost of proposals:

The costs involved with the preparation and adoption of the policy are covered in the existing operational budgets.

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: 15 July 2024 Executive Meeting - The Draft Fareham Housing Mutual Exchange Policy Report.

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Executive Briefing Paper

Date:	7 October 2024
Subject:	The Draft Fareham Housing Mutual Exchange Policy
Briefing by:	Director of Housing
Portfolio:	Housing

INTRODUCTION

1. The Housing Act 1985, as amended, provides all eligible tenants with the right to exchange their home with another eligible tenant in a process known as 'mutual exchange'. This exchange can only take place with the written permission of all landlords and is subject to several provisions which are outlined in the draft Fareham Housing Mutual Exchange Policy (hereby referred to as 'the draft Policy').
2. At the 15 July 2024 Executive meeting the draft Policy was approved for public consultation. The consultation ran from 29 July to 26 September. This report outlines the comments received, the amendments made and requests the draft Policy be formally adopted.

LEGISLATION AND BACKGROUND

3. As detailed in the 15 July report, the draft Policy includes the rules governing mutual exchanges. These are set out in the Housing Act 1985, as amended, and by the Localism Act 2011. This gives tenants of social housing the right to exchange with another, subject to certain provisions.
4. The Regulator of Social Housing has also recently introduced requirements governing how tenants are to be treated in their dealings with the Council. These Consumer Standards state that '*registered providers must support relevant tenants ... to mutually exchange their home*'. This is a service that the Council already provides; the draft Policy explains the process and consolidates existing information into one document.
5. The policy is also supported by a FAQ and process chart. This is to ensure adherence to the Consumer Standards.

THE PROCESS

6. The draft Policy explains that the mutual exchange process is 'tenant led'. This means tenants are responsible for finding a mutual exchange. This can be done through the 'HomeSwapper' service provided, any other mutual exchange service (although there

may be a fee for this), or by utilising social media. HomeSwapper is a national service the Council subscribes to, meaning there are no costs passed onto Fareham Housing tenants and they have access to properties across the UK.

7. Once a tenant has found a property and have undertaken the checks they need, they contact their Neighbourhood Officer for a Mutual Exchange application form. The Officer will explain the requirements of the exchange and ensure they understand their obligations.
8. All decisions must be approved within 42 days of receipt of application, unless it is being refused due to one of the exemptions listed in Schedule 14 of the Localism Act 2011. This is reflected in the draft Policy.
9. There is no automatic right of review if an application is refused. Tenants will need to pursue the Council's Complaints Procedure if they feel the process was not followed correctly. Where an external landlord has refused the application, it is for their tenant to take up the appeal directly with them, following their own processes.

PUBLIC CONSULTATION ON THE DRAFT POLICY

10. Public consultation of the draft Policy was undertaken 29 July to 26 September. The consultation consisted of a survey on the Council's 'Let's Talk' pages, as well as being publicised on social media.
11. In total, the survey received 19 responses, 54% of which advised they were Council Tenants. The results concluded that the majority of the respondents were aware of the mutual exchange process and 64% have used it.

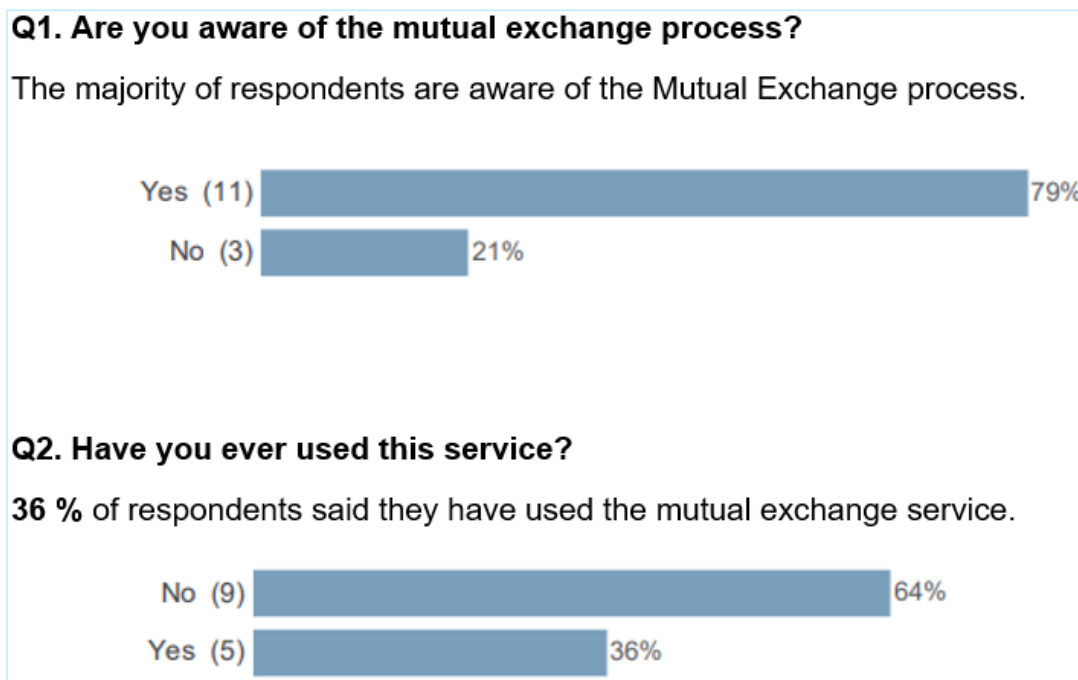


Figure 1 – responses to Q1 & Q2 of the consultation

12. The main theme that emerged from the consultation is that the HomeSwapper website 'could be better'. Unfortunately, this site is external to the Council and we have no control over its functionality or appearance. The HomeSwapper site has national coverage with over 440 Registered Providers and their properties, and delivers end-to-end case management as part of the service. The Council would not be able to provide access to this many properties and with the same level of case management as

HomeSwapper without considerable resource and cost.

13. Respondents were asked how easy the accompanying process chart was to understand. The majority responded with 'very easy':

Q4. Respondents were asked how easy the process chart within the policy was to understand.

69% of respondents either found the process chart Very Easy or Mostly Easy to understand.

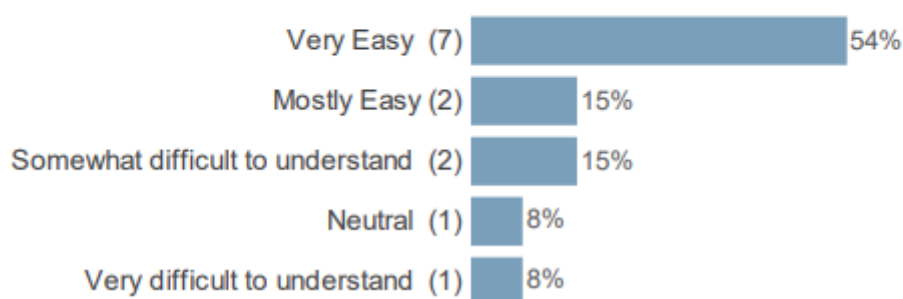


Figure 2 – responses to Q4 of the consultation

14. However, in response to other comments received (detailed in table 1), the chart has been amended slightly to reflect comments that it should be colour coded and with less boxes. This in itself was difficult, as the amount of boxes reflect the number of steps required for the process.
15. Full details of the comments and a response are below. Responses have not been made directly to those who commented, as the consultation was anonymous:

Comment	Response
<i>I am on home swapper, to be honest it's a pretty poor site, same old properties, hardly any new ones</i>	The HomeSwapper site is external to the Council. (Please see paragraph 10 of this report).
<i>It was 43 years ago I used the mutual exchange facility; I dare say so much will have changed</i>	Noted.
<i>I believe the contracts should be signed 2 weeks prior to the move date so this allows people not to back out the day of moving</i>	The deeds can be signed earlier. However, the move date is agreed by all parties and are normally signed on a Thursday with a tenancy start date of Monday. This allows a move over the weekend, and reduces the risk of cancellations last minute.
<i>It's hopeless. No matter how much you use it, I don't know anyone that's had a successful swap</i>	We do have successful mutual exchanges, but most people are looking for larger accommodation (which is rarer) and not downsizing.
<i>Home swapper is awful. Hard to find properties, offers inappropriate matches.</i>	The HomeSwapper site is external to the Council. Please see paragraph 10 of this report.
<i>It needs to be explained that the 42 days is the surveyor aiming for completion date not a signing date to move.</i>	SwapTracker (the case management tool within HomeSwapper, available to tenants and landlords) makes it clear that the 42 Days is for us to make a decision on either Approving or Rejecting the application not moving. This is also reflected in paragraphs 4.5, 9.7, 9.8 and 12.1 of the draft Policy.

Comment	Response
<i>It is the responsibility of the tenant to find a possible exchange - It's incredibly hard to do with tenants on home swapper not active or replying. I think it would work a lot better with a better system and more input from Housing.</i>	Housing use tools within HomeSwapper for removing inactive accounts and sending information to tenants to improve their profile amongst other actions. We are unable to enforce a response from applicants.
<i>[FAQ Process Chart] Maybe colour code it and reduce the boxes.</i>	Noted and amended.
<i>[FAQ Process Chart] Too much. Don't understand how it can either be application approved or refused but have an extra step for Landlord checks</i>	Noted and amended.
<i>Why 42 days? Could be sooner. When I quoted this on my last move, I was told they had six weeks and took it to the limit when I feel it could have been completed a lot sooner.</i>	Regulations state that Landlords have up to 42 days in which to make a decision. This is also reflected in paragraphs 4.5, 9.7, 9.8 and 12.1 of the draft Policy. Sometimes the decision can be made more quickly if visits and references can be done.
<i>Too many steps.</i>	The number of steps required is reflective of the legislative checks that we need to undertake.
<i>Looks like nothing has changed.</i>	The draft Policy consolidates the existing procedure into one document, so fundamentally, there has been little change.

Table 1 – Consultation comments and responses

AMENDMENTS TO THE DRAFT POLICY

16. The comments received did not necessitate any changes to the draft Policy. Therefore, the only amendments made were to the accompanying process flow chart; colour coding was added, and the number of boxes (but without removing steps) was reduced. This chart is available as Appendix C.

EQUALITY IMPACT ASSESSMENT

17. An Equality Impact Assessment (EIA) was undertaken pre-consultation. This document was also made available as an appendix in the 15 July Executive Report. No changes have been made to the draft Policy; therefore, the EIA has not needed amending. The EIA is available in Appendix D of this report.

CONCLUSION

18. The draft Fareham Housing Mutual Exchange Policy underwent a period of six weeks consultation. The comments received did not require any changes to be made to the draft Policy. Amendments were however made to the accompanying Process Chart (Appendix C).
19. The Executive is invited to consider the contents of this report and approve the draft Fareham Housing Mutual Exchange Policy.

RISK ASSESSMENT

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

ENVIRONMENTAL CONSIDERATIONS/CARBON IMPACT ASSESSMENT

21. The Policy covers tenants moving to and from existing residential properties. No detrimental environmental or carbon impacts are anticipated in relation to the Policy.

Enquiries:

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