

<b>KNOWES HOUSING ASSOCIATION LTD</b>	
<b>Policy Name</b>	Mutual Exchange Policy
<b>Policy Category</b>	Housing Management
<b>Policy Number</b>	HM06
<b>Date to Housing Services Sub-Committee</b>	October 2023
<b>Previous Review</b>	November 2020
<b>Next Review Date</b>	October 2026
<b>Links to other Policies</b>	Allocations Policy
<b>Consultation</b>	Internal

## 1. AIMS & OBJECTIVES

- 1.1 This policy outlines the rights of Knowes' tenants to carry out a **Mutual Exchange** under the provision of the Housing (Scotland) Act 2001. The main aim of this policy is to clarify to tenants/applicants how this legislation is carried out in practice.
- 1.2 A mutual exchange takes place when 2 or more tenants agree to exchange houses with each other, (generally a mutual exchange is between 2 people, however there are occasions where 3 people are involved in exchanging their property). Those wishing to exchange must be tenants of a social housing landlord ie. a local authority, housing association or co-op. Tenants do not need to have the same landlord, but the exchange requires the approval of all landlords involved.
- 1.3 The Mutual Exchange Procedure, which is a separate document, details how an Application for Mutual Exchange will be dealt with internally by Association staff. Every application will be logged and its progress recorded on the Association's IT system (QL)
- 1.4 A mutual exchange application will be processed and a decision made (in writing) within 28 days of the Association receiving the completed applications. This is covered in the Mutual Exchange Procedure that staff refer to when processing applications.

## **2. RISK MANAGEMENT**

- 2.1 By having a written detailed Mutual Exchange Policy & Procedure the Association is able to ensure that a uniform and professional approach is adopted throughout the organisation and the service delivered is compliant with law, best practice and internal policy.
- 2.2 The risk of not having this policy in place is an absence of the points in 2.1, poor record-keeping regarding tenancy information and reputational damage to the Association.

## **3. ELIGIBILITY**

- 3.1 In effect, any Scottish Secure Tenant has a right to mutually exchange their property with another property provided that property is governed by a Scottish Secure Tenancy. However to do so both tenants must have written consent from their landlords.
- 3.2 The procedure outlines reasonable grounds for the Association refusing a mutual exchange application, and these are also contained in Section 6 of this policy. These grounds will be considered prior to approving any application. In terms of reasonableness, and unless there is a recognised housing need, Knowes tenants will not be considered for a mutual exchange unless they have tenanted their current property for at least 6 months.
- 3.3 Tenants are asked to commit to residing in their new home following the exchange for a minimum period of 12 months and will not be considered for a Transfer to another Knowes Association property within this period, unless there is a pressing housing need. This is to ensure community stability and prevent the potential of fraudulent mutual exchange applications.
- 3.4 Tenants can move out with Knowes housing stock without getting the Association's consent to do so but only if they are terminating their tenancy with us and not exchanging with a tenant who is not in a Knowes HA tenancy. If they are exchanging with a tenant out with Knowes the same process needs to be followed as outlined in this policy and the accompanying procedure.
- 3.5 Incoming Tenants will accept the house in the condition seen and understand that Knowes Housing Association will **not** be responsible for any changes to decoration or non-standard repairs/improvements. A mandate pertaining to this condition will be signed by the incoming tenant.

## **4. HOMESWAPPER – IDENTIFYING AN EXCHANGE**

- 4.1 In addition to managing its own Mutual Exchange process, the Association

subscribes to HomeSwapper – [www.HomeSwapper.co.uk](http://www.HomeSwapper.co.uk), which is a national online mutual exchange service for both council and housing association tenants wanting to swap homes throughout the United Kingdom.

- 4.2 HomeSwapper is an online service which matches applicants to any potential swaps/mutual exchanges and once registered, tenants will be contacted by email or text with details of those matches. All Knowes' tenants qualify for free membership, subject to our approval.

## **5. APPLICATION PROCESS & AGREEMENT**

- 5.1 Both tenants must apply on the appropriate application forms and provide full details of the person(s) they intend to exchange their properties with. The Association will refuse any application if it transpires that either party is receiving any payment for the mutual exchange.
- 5.2 Tenants of the Association who are applying for an Exchange will need to have their property inspected by the Association's Maintenance Officer to determine the condition, and whether it is in a satisfactory state that we would permit an exchange to proceed.
- 5.3 If the application is accepted then both tenants (if the exchange is within Knowes' properties), or just the incoming tenant, will be called to the office to sign their new Tenancy Agreement(s) and complete all relevant paperwork. The new tenant(s) start of tenancy date will be the date the new tenancy agreement is signed. If another landlord is involved it is imperative that both the exchange and tenancy agreements take effect from the same day. Gas and electrical safety checks will be arranged for Knowes' property due to the change of tenancy.
- 5.4 Incoming tenants to Knowes will be informed that they will accept the condition of the property as seen as Knowes will not be expected to carry out decoration, cosmetic repairs or major improvement works when the new tenant moves in.

## **6.0 GROUNDS FOR REFUSAL**

- 6.1 The Association is required to provide written consent or refusal on a Mutual Exchange Application. Permission will only be withheld where there are reasonable grounds for doing so, such as: -
- A Notice of Proceedings for Repossession has been served on either of the tenants specifying any of the "conduct" grounds set out in paragraphs 1 to 7 of Schedule 2 of the Act;

- An order for Recovery of Possession of the house has been made against either of the tenants under Section 16 (2) of the Act;
- One of the tenants does not have a clear rent account **or** has other debts with the Association with no clear arrangement in place which has been adhered to for a minimum of 3 months;
- If either tenancy inspection is unsatisfactory and there would not be enough time for the tenant to carry out the necessary repairs a refusal should be issued to the tenant(s) detailing the outstanding repairs.
- The proposed incoming tenant (if not currently Knowes tenant) was previously evicted for anti-social behaviour within the last 5 years (this refers to eviction by social landlords);
- The proposed mutual exchange would lead to substantial overcrowding or underoccupation, or is not medically suitable to the needs of one of the applicants or their family; or,
- One of the properties has been designed or adapted for occupation by a person whose special needs require accommodation of the kind provided by the house and, if the exchange took place, there would no longer be a person with such special needs occupying the house.
- The transaction is for financial gain and/or one of the tenancies has been acquired in the preceding 6 months and there is no housing need supporting the exchange.

## **7. FALSE INFORMATION**

- 7.1 Anyone applying for a mutual exchange will have to sign the application form thereby certifying that the information is correct and no false or misleading information has been given in order to get the tenancy, or relevant information withheld. Should the Association discover that an application has been falsified then the Association may commence legal action with a view to repossessing the tenancy.

## **8. APPEALS**

- 8.1 Any tenant who feels aggrieved by their treatment under this Policy can ask for a copy of the Association's Complaints Policy which is available at the Associations office. Tenants also have a right to complain to the Public Services Ombudsman. The Complaints Policy details the way in which tenants can complain and the timescales for responding.

## **9. POLICY REPORTING**

- 9.1 As part of the Scottish Housing Regulators annual returns, (ARC), the Association will report on the amount of Mutual Exchanges that it has had within its stock. This information will be reported to the Association's Committee as part of the ARC return.

## **10. EQUALITIES COMMITMENT**

- 10.1 The Association is committed to tackling discrimination on the grounds of sex or marital status, racial grounds, or grounds of disability, age, sexual orientation, language, social origin, or of other personal attributes, including beliefs or opinions, such as religious beliefs or political opinions.
- 10.2 The Association also seeks to embrace diversity, promote equal opportunities for all and eliminate any unlawful discrimination in all areas of our work.