

Mutual Exchange Policy



Sandwell
Metropolitan Borough Council

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Owner	<i>Karl Robinson</i>		
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Purpose	<i>This policy outlines the eligibility criteria, legal framework, and procedures for tenants seeking to participate in a mutual exchange, ensuring compliance with applicable housing laws and SMBC standards.</i>		

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1. Purpose

- 1.1 Sandwell Metropolitan Borough Council (SMBC) recognises mutual exchange as an important housing option that allows tenants greater choice and flexibility in meeting their housing needs.
- 1.2 This policy sets out the eligibility criteria, legal framework, and process for mutual exchanges, ensuring compliance with relevant legislation and Council standards.
- 1.3 Secure lifetime and secure flexible tenants of self-contained properties have the right to apply for a mutual exchange with another local authority or registered provider. Introductory, demoted, and other non-secure tenants are not eligible during their probationary period, unless exceptional circumstances are considered by the Housing Review Panel.
- 1.4 The policy aims to support eligible tenants by providing clear information, encourage mobility to more suitable homes, make best use of housing stock, and ensure that all exchanges are managed fairly, transparently, and within required timescales.

2. Scope

- 2.1 This Policy applies to:
 - Secure SMBC tenants, who are eligible to participate in a mutual exchange by way of holding social housing tenancies; and
 - Secure tenants of other local authorities and assured tenants of registered social housing providers seeking to exchange homes with SMBC tenants.
- 2.2 Mutual exchanges involving two or more tenants are also permitted, provided the respective tenants meet the eligibility requirements.
- 2.3 This Policy applies to mutual exchanges carried out by way of tenancy assignment only.

2.4 Ineligible tenants

This Policy does not apply to:

- Tenants with introductory or demoted tenancies.
- Assured Shorthold Tenancies (ASTs).
- Job tied tenancies.
- Tenants of market or intermediate rent properties, including key worker properties; or
- Licensees, leaseholders, freeholders or shared owners.

2.5 Introductory and demoted tenancies are excluded because they do not carry the statutory right to mutual exchange; residents holding these tenancies may become eligible to exchange once they complete their probationary/demotion period.

3. What is Mutual Exchange to Sandwell Council?

3.1 A mutual exchange is an arrangement where two or more secure or assured tenants agree to exchange their homes, subject to the Council's written consent. Prior to the exchange taking place, the Council will inspect each property and advise the incoming tenant of its condition, including any alterations or improvements carried out by the outgoing tenant.

3.2 By proceeding with the exchange, the incoming tenant accepts the property in its existing condition and assumes responsibility for any non-standard fixtures, fittings, or alterations.

4. Policy Statement

4.1 Property Type

Sandwell Council aims to ensure that its housing stock is used effectively so that homes are suitable for the size and needs of each household. When considering a mutual exchange, the Council will assess whether the property size is appropriate, particularly in terms of the number of bedrooms required, in line with its Allocation Policy.

In most cases, exchanges will only be approved where both households are moving into properties that meet their bedroom needs. However, in exceptional circumstances, the Council may allow a small degree of under-occupation where this would improve the circumstances of one or both tenants. Exchanges will not be approved if they would result in statutory overcrowding.

4.2 Types of Exchange

Mutual exchanges can take place in two ways, depending on the type of tenancy held by each tenant: **assignment** or **surrender and re-grant**.

If a tenancy has previously been inherited (succession) or assigned from a family member, this status stays with the tenant after the exchange.

Tenants should be aware that they will usually only retain their current level of tenancy security once. Any future exchanges may result in different tenancy terms, particularly where tenancies were created after April 2012.

4.3 Through Assignment

An assignment is where tenants swap properties by transferring their tenancies to each other. Each tenant takes on the rights and responsibilities of the other. The tenancy continues as it is, and no new agreement is created, although both parties must sign a legal document to confirm the exchange.

4.4 Through Surrender and Re-Grant

In some cases, particularly where tenants have different types of tenancy, the exchange is completed by ending the existing tenancies and issuing new ones. This ensures that both tenants move into their new homes with a similar level of tenancy security.

4.5 Application Process

Tenants are responsible for finding a suitable exchange partner. Sandwell Council provides access to a national mutual exchange service (HomeSwapper), which tenants can use free of charge.

Tenants may also find exchange partners through other methods, such as local advertising, social media, or other exchange websites. Exchanges are not limited to two households and may involve multiple parties.

4.6 Submitting an Application

Each tenant involved in the exchange must complete and submit their own application form and provide the required information and supporting documents. All joint tenants must agree to and sign the application.

Applications will only be progressed once all required information has been received. Delays in providing documents may delay the overall decision.

4.7 Assessment

Once all applications have been received, the Council will undertake an assessment. This will include a review of tenancy conduct, rent accounts, and any previous tenancy-related issues.

Each property will also be inspected to determine its condition. As part of this process, the Council will identify any required repairs, damage, or unauthorised alterations. Tenants may be asked to complete necessary works before the exchange can proceed, or the incoming tenant may agree to take responsibility for these.

Applications may be refused where there are significant repair issues, health and safety risks, or serious breaches of tenancy conditions.

All required compliance checks and inspections must be completed, and the property must be fully compliant before

approval is granted. Where the dwelling is located within a Higher Risk Building (HRB), all relevant building safety information, surveys, and inspections must also be in place, and the building must be fully compliant.

4.8 References

When the exchange is between an SMBC tenant and a non-SMBC tenant, all landlords involved will exchange references for the outgoing and incoming tenants. In providing the reference, SMBC will disclose any tenancy breaches by the outgoing tenant, including:

- Tenancy management issues
- Complaints related to anti-social behaviour (ASB) and tenancy violations
- Known criminal activity linked to the property or neighbourhood
- Any child protection concerns
- Details of any previous succession

4.9 Decisions

The Council aims to provide a written decision within 42 days of receiving fully completed applications from all parties.

After all required inspections, checks, and landlord references have been completed, the SMBC will review the application and determine whether it should be approved or denied.

SMBC's written decision will outline one of the following outcomes based on the Officer's assessment:

- Approval
- Approval with conditions
- Refusal

4.10 Approval

An application for Mutual Exchange will be approved if the applicants meet all requirements and there are no conditions to be fulfilled.

4.11 Approval with Conditions

Approval will be granted with conditions that tenants must satisfy before the exchange can proceed. This typically applies when a tenant has rent arrears or is in breach of tenancy. Examples of conditions include:

- Clearing any outstanding rent arrears
- Completing repairs that are the tenant's responsibility
- Addressing any unauthorised home improvements
- Restoring the property to an acceptable condition
- Fulfilling obligations under the tenancy agreement, such as removing and disposing of rubbish from the garden
- Paying for any rechargeable repairs

In the event of a refusal, tenants will be notified of the reasons for the decision.

4.12 Unauthorised Exchanges

Tenants must not exchange properties without first obtaining written permission from the Council (and any other landlord involved). Unauthorised exchanges are unlawful and may result in tenants being required to leave the property.

Following the correct process ensures tenants are legally protected, that rent accounts are accurate, and that the condition of the property is clearly understood.

4.13 Grounds for Refusal

Mutual exchange applications are carefully assessed, and may be refused for several reasons, including:

- **Rent Arrears:** Exchanges may be refused until arrears are cleared or a repayment plan is in place.

- **Breach of Tenancy:** Tenants in breach of their tenancy (e.g., due to anti-social behaviour or serious misconduct) may be denied an exchange.
- **Property Size:** Exchanges may be refused if the move would result in overcrowding or under-occupation by more than one bedroom.
- **Legal Proceedings:** Tenants involved in legal actions, such as possession orders or eviction notices, may be refused.
- **Specially Adapted Properties:** Exchanges may be denied if the incoming tenant does not need adaptations made for a previous tenant.
- **Sheltered or Supported Housing:** Exchanges may be refused if the incoming tenant does not meet eligibility criteria.
- **False Information:** Providing false or misleading information will result in refusal.

Additional grounds specific to flexible or fixed-term tenancies are set out in Schedule 14 of the Localism Act 2011. Further legal details are in Appendix 1A.

4.14 Repairs

Tenants are responsible for resolving any damage or issues they have caused. In some cases, repairs may still be completed after approval, but more serious issues may delay the move.

Incoming tenants are advised to fully satisfy themselves with the condition of the property before agreeing to the exchange, as responsibility for the property transfers once the exchange is completed.

4.15 Appeals

If a mutual exchange application is refused, tenants have the right to appeal the decision.

Appeals must be submitted in writing to the Head of Housing within 14 calendar days of receiving the refusal letter. Appeals can be submitted via the Housing Team:

- **Email:** housingservices@smbc.gov.uk

- **Post or in person:** Any SMBC Housing Office

The appeal should clearly explain why the decision is believed to be incorrect and include any relevant supporting evidence.

Once received, the appeal will be reviewed, and a written response will be provided within 14 calendar days. The review will consider the reasons for refusal, the grounds for appeal, and any supporting information.

If the appeal is successful, the exchange will proceed. If not, the original decision will be upheld, and the tenant will be provided with an explanation.

4.16 Complaints

If a tenant has concerns about how their case was handled (e.g., delays, inadequate service, or staff conduct), they can submit a complaint in the following ways:

- **Online:** [Contact us online via MySandwell](#)
- **Email:** customer_services@sandwell.gov.uk
- **Phone:** 0121 569 7867
- **Write in:** Customer Feedback Team, Sandwell Council, Roway Lane, Oldbury, B69 3ES.

5. Development of Policy

5.1 Sandwell Council recognises the importance of clear and effective communication to ensure that tenants are fully informed and supported throughout the mutual exchange process. To support this, the Council consulted residents on a draft version of this Mutual Exchange Policy, giving tenants the opportunity to provide feedback both online and in person.

5.2 By taking residents' views into account, the Council has been able to shape this policy to ensure the mutual exchange process is fair,

transparent, and easy to understand, and that it meets the needs of tenants wishing to exchange their homes.

6. Related Documents

6.1 This section should reference other key documents that must be read in conjunction with this policy.

- [Housing Allocations Policy](#)
- [Tenant Handbook](#)
- [Housing Repairs and Maintenance Policy](#)
- [Tenancy Fraud Policy](#)
- [Tenancy Sustainment Policy](#)
- Succession Policy
- [Regulator of Social Housing Consumer Standards](#)

7. Legal Framework

7.1 The Housing Act 1985, which grants secure tenants the right to exchange, subject to landlord consent, and outlines specific grounds under which a mutual exchange may be refused.

7.2 Assignments - Secure tenants have the right to assign their tenancy by way of exchange under Section of Section 92 of the Housing Act 1985 as amended.

7.3 The Localism Act 2011, which sets out provisions for tenants on secure, flexible or fixed-term tenancies, and sets out additional grounds for refusing exchanges in these cases.

7.4 Surrender and Re-Grant - Section 158 of the Localism Act creates a new mechanism for mutual exchanges based on the granting of new tenancies. The section introduces a protection for assured lifetime tenants who were granted their tenancy prior to 1 April 2012. 3.2.2. If Tenant A (a lifetime tenant whose tenancy was granted prior to 1 April 2012) wishes to exchange with Tenant B (a fixed term tenant) then a new tenancy is issued to each Tenant and Tenant A is granted another assured tenancy

7.5 The Housing and Regeneration Act 2008, which provides the statutory basis for regulating housing providers and ensures that all mutual exchanges conform to the standards set by the Regulator of Social Housing.

7.6 In addition, the following policies are also applicable:

- Data Protection Act 2018 and GDPR.
- The Landlord and Tenant Act 1985
- The Housing Act 2004
- Regulator for Social Housing: Consumer Standards
- Equalities Act 2010

8. Equality and Diversity

8.1 Sandwell Council is committed to ensuring that all tenants have equal and fair access to the mutual exchange process. We will take into account the individual needs of tenants, their families, or anyone living with them, and make reasonable adjustments where necessary to support a successful exchange.

8.2 The Council will treat all tenants fairly, with dignity and respect, throughout the mutual exchange process.

8.3 All Council staff involved in mutual exchanges receive training in Equality, Diversity, and Inclusion. This ensures they understand when and how to adapt policies, procedures, and ways of working to meet tenants' individual needs. This training is mandatory and monitored by our Learning and Development Team. Our approach also ensures the Council meets its responsibilities under the Equality Act 2010.

8.4 **ST*R Model**

Sandwell Council is committed to providing a safe, supportive, and inclusive environment for tenants throughout the mutual exchange

process. To guide this approach, the Council uses the ST*R practice model, which is based on three key principles:

- **Strengths-Based Approach** - The Council recognises that every tenant has unique strengths, skills, and resilience. Staff work with tenants to build on these strengths, empowering them to take control of the exchange process and make decisions that work for them.
- **Trauma-Informed Approach** - The Council understands that tenants may face personal challenges or difficult experiences that can affect their housing choices. Support is provided in a sensitive, safe, and respectful way so tenants feel understood and able to make informed decisions about a mutual exchange.
- **Relationship-Based Approach** - Trusting, respectful, and supportive relationships are at the heart of the Council's approach. Staff aim to treat every tenant with empathy and understanding, ensuring that tenants feel valued, confident, and supported throughout the exchange process.

By applying the ST*R model, the Council ensures that tenants taking part in a mutual exchange receive care, respect, and practical support, helping them navigate the process confidently and successfully.

8.5 Reasonable Adjustments

We are committed to ensuring that disabled people are not disadvantaged in accessing all our services and we carry out Equality Impact Assessments to ensure this does not happen.

There is no prescribed list of reasonable adjustments; the adjustment will depend on the individual's needs. We will discuss the requirements with the person concerned and seek to reach agreement on what may be reasonable in the circumstances. We will not make assumptions about whether a disabled person requires any reasonable adjustments or about what those adjustments should be.

Customers can request that we make reasonable adjustments in the following ways:

- in person
- in writing for example by email, by post, text

- by telephone
- by a family member when we have been given permission to do so; and or
- a member of staff may suggest for one to be made, when they are aware it will support the customer needs.

We will treat all conversations with sensitivity, confidentiality and on a case-by-case basis. We will listen to a customer’s needs and make every effort to meet requests for adjustments when it’s reasonable to do so. Where we are unable to meet a request, we will explain why.

In the majority of cases, we will be able to agree and deliver the required reasonable adjustment with a minimum of delay.

For more information, please refer to Sandwell’s [Reasonable Adjustments Policy](#).

9. Monitoring and Review

- 9.1 This Policy will be reviewed periodically or sooner if there are significant changes in legislation, management, a major incident or if it is no longer suitable.

10. Policy Document Version Control

Version	Date	Description	Updated By	Approved By
0.1	20/01/2026	Initial draft produced by Karl	Karl Robinson	N/A
0.2	02/02/2026	Second draft produced by Louis using the Housing Policy Template.	Louis Bebb	N/A
0.3	20/03/2026	Third draft produced following feedback from Joint Housing and Asset	Louis Bebb	N/A

		Management Team members.		
0.4	15/04/2026	Final amendments have been made to the policy before going out for consultation.	Louis Bebb	N/A