



Lancaster City Council

Housing and Property: Council Housing

Mutual Exchange Policy

April 2025

Prepared by:	DH
Effective from:	November 2025
Approved by:	JW
Review date:	November 2028
Revision number:	1.0

(01524) 582929



councilhousing@lancaster.gov.uk



Contents

1.	Introduction	3
2.	Policy Statement	3
3.	Right to Exchange	3
4.	Tenancy Rights, Terms and Conditions	4
5.	Refusal of Exchange	4
6.	Timescales.....	5
7.	Non-consensual Exchanges.....	5
8.	Illegal Exchanges	5
9.	Refusal to Move	5
10.	Monitoring Our Performance	5
11.	Roles and Responsibilities.....	5
12.	Associated Legal and Regulatory Links	6
13.	Equality, Diversity and Inclusion	6
14.	Review.....	7



1. Introduction

- 1.1. A mutual exchange allows two or more tenants in the social housing sector to swap homes with tenants from other local authorities or registered social housing providers, offering an opportunity to move to a more suitable home or location.
- 1.2. Lancaster City Council values mutual exchange as a highly effective way for tenants to secure new accommodation. It offers a practical solution for all tenants, enabling quicker moves for those seeking to relocate, those with lower priority for internal transfers, and even those with higher priority who can benefit from faster rehousing in the current low-supply environment.
- 1.3. The aim of this policy is to assist tenants in resolving housing issues, encourage mobility, and contribute to the efficient management of housing stock. This will help create a flexible service that supports individual needs and aspirations.

2. Policy Statement

- 2.1. To ensure full compliance, this policy adheres to the Housing Act 1985 and 1988, along with the amendments introduced by the Housing Act 2004 and further changes in the Localism Act 2011. It also respects the obligations outlined in each tenancy agreement when processing mutual exchange applications. The policy's objective is to encourage tenants seeking a move to consider mutual exchange as a valuable alternative.
- 2.2. Lancaster City Council will support tenants by providing clear information and guidance to facilitate mutual exchanges in line with their tenancy rights, promote mutual exchange as an alternative to internal transfers, and offer access to online mutual exchange registers and schemes.
- 2.3. Tenants will be informed of any changes to their legal rights and the implications of such changes, including the impact on welfare benefits, rent, and service charges.
- 2.4. We will promote mutual exchange through our website and raise awareness among tenants interested in moving home.

3. Right to Exchange

- 3.1. Tenants can exchange with tenants of any registered social housing provider across the country, including:
 - Other local authorities
 - Arm's Length Management Organisations (ALMOs)
 - Housing associations
 - Housing trusts (charities)
- 3.2. Starter tenants (assured shorthold tenants) do not have a statutory or contractual right to exchange.

- 3.3. Assured (protected rights) tenants retain a statutory right to exchange under the Housing Act 1985.
- 3.4. Assured (non-shorthold) tenants have a contractual right to exchange, subject to written consent from the landlord
- 3.5. This policy applies to social rented homes managed by Lancaster City Council and does not apply to private sector leasing properties or any other housing schemes outside the Council's management, including supported housing schemes.

4. Tenancy Rights, Terms and Conditions

- 4.1. The rights of an individual tenant will vary depending on the type of tenancy they hold. These terms and conditions will be transferred during they exchange.
- 4.2. Mutual exchanges are carried out by way of assignment, meaning each tenant takes on the tenancy agreement of the other. However, the Preserved Right to Buy (where applicable) does not transfer to the new tenant if they are moving into a property owned by another landlord.
- 4.3. The incoming tenant's tenancy will comply with the Localism Act 2011 (where relevant).

5. Refusal of Exchange

- 5.1. An exchange may be refused for reasons including:
 - The tenant has rent arrears or is in breach of their tenancy.
 - The tenant is subject to a possession or court proceedings
 - The property is unsuitable for the tenants needs, for example – the property is too large
- 5.2. If consent is withheld, Lancaster City Council will provide a written notice explaining the reasons for refusal within 42 days of receiving the application.
- 5.3. A **property inspection** will be conducted to ensure health and safety compliance and to assess the property's condition. This inspection is carried out by the Council, and we advise incoming tenants to complete their own visual inspection of the property.
- 5.4. Written consent from the landlord is required before the exchange can proceed. Exchanges will not be approved for tenants with a demoted tenancy unless specified by the Court.
- 5.5. Mutual exchange does not count as a succession, and the original tenant's rights will be maintained in the new property.
- 5.6. Tenants will be informed of any changes to their rights and tenancy conditions prior to the exchange.

6. Timescales

- 6.1. Lancaster City Council will make decisions within 42 days of receiving a complete application, including all required supporting documents.
- 6.2. If a decision is not made within 42 days, the exchange is automatically deemed authorised, and tenants can apply to the court for an injunction.
- 6.3. Decisions will be communicated in line with tenancy agreement procedures.

7. Non-consensual Exchanges

- 7.1. If an exchange occurs without the necessary approval, all tenants involved will be in breach of their tenancy agreements. Lancaster City Council may take legal action where necessary

8. Illegal Exchanges

- 8.1. It is illegal for tenants to pay money or offer anything of value to encourage an exchange. Legal action may be taken if this occurs.
- 8.2. It is illegal to exchange a tenancy with no intention of occupying the property. Legal action may be taken if this is proven.

9. Refusal to Move

- 9.1. Tenants can withdraw their mutual exchange application at any time up until the deed of assignment is signed.
- 9.2. After the deed is signed, refusal to move is considered illegal, and Lancaster City Council may initiate legal proceedings to resolve the matter.
- 9.3. Legal proceedings may be expedited, if necessary, to resolve any disputes.

10. Monitoring Our Performance

- 10.1. Lancaster City Council aims to make 100% of mutual exchange decisions within 42 days.

11. Roles and Responsibilities.

- 11.1. **Housing Management Team:** Responsible for the operational delivery of this policy, ensuring performance standards are met.
- 11.2. **Senior Housing Managers:** Ensure the effective implementation and review of this policy.

- 11.3. **Housing Managers:** Ensure compliance with this policy and manage mutual exchange applications.
- 11.4. **Housing Officers and Assistants:** Process mutual exchange applications and promote the service to tenants.
- 11.5. **Customer Contact Centre:** Handle general enquiries about mutual exchanges and assist with application processing.
- 11.6. **Repairs and Maintenance:** Conduct property inspections, including necessary gas and electrical checks.
- 11.7. **Policy and Performance Officer:** Reporting of performance to Senior Managers.

12. Associated Legal and Regulatory Links

- Housing Act 1985
- Housing Act 1988
- Housing Act 1996
- Matrimonial Causes Act 1973
- Family Law Act 1996
- Localism Act 2011
- Welfare Reform Act 2012
- Housing and Regeneration Act 2008

13. Equality, Diversity and Inclusion

- 13.1. Lancaster City Council is committed to promoting and embedding a culture of equality, diversity, and inclusion (EDI) within our workplaces and the communities we serve.

Equality: Ensures that every individual has the opportunity to make the most of their lives and talents.

Diversity: Means recognising and responding positively to individual differences.

Inclusion: Is about creating an environment where our services and employment opportunities are accessible to all.

- 13.2. We are committed to meeting our obligations under the **Equality Act 2010** and promoting equal opportunities in both service provision and employment practices. We will consider all protected characteristics under the Act:

- Age
- Disability
- Gender reassignment
- Marriage and civil partnership
- Race

- Religion or belief
- Sex
- Sexual orientation
- Pregnancy and maternity

13.3. We also recognise that socio-economic background can be a source of inequality. Where possible, we are committed to addressing these disadvantages within our communities.

13.4. In line with the **Public Sector Equality Duty**, we will:

- Eliminate discrimination, harassment, victimisation, and any other conduct prohibited by the Equality Act 2010.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

13.5. Where reasonable, Lancaster City Council will make adjustments to ensure compliance with the Act and support the needs of individuals

14. Review

14.1. The policy will be reviewed every three years. or sooner to address any legislative or regulatory changes. Or in response to any operational issues.

14.2. Enquiries relating to the policy should be directed to the Community Housing Manager via the Council Housing Customer Services team at:

- 01524 582929
- councilhousing@lancaster.gov.uk