CABINET

24 JULY 2026

REPORT OF THE PORTFOLIO HOLDER FOR HOUSING AND PLANNING

A.5 CONSIDERATION AND ADOPTION OF THE HOUSING MUTUAL EXCHANGE POLICY

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To present to Cabinet the Housing Mutual Exchange Policy for consideration and adoption.

EXECUTIVE SUMMARY
This report presents the Housing Mutual Exchange Policy for approval. The policy formalises the work that is already undertaken in the Housing and Environment service. This work is in compliance with the legal framework associated with mutual exchanges and assists the Council in meeting the Regulator of Social Housing's Consumer Standards as well as the requirements and recommendations of the Housing Ombudsman. The purpose of the Housing Mutual Exchange Policy is to enable eligible secure tenants of the Council to exchange their home with other eligible social or affordable housing tenants, in accordance with provisions under the Housing Act 1985 and the Housing Act 2004.

RECOMMENDATION(S)
It is recommended that Cabinet: **(a) formally adopts the Housing Mutual Exchange Policy, as set out in Appendix A to this report, for implementation;** **(b) authorises the Corporate Director (Operations and Delivery) to make future updates or amendments to the policy, in consultation with the Portfolio Holder responsible for Housing; and** **(c) requires that this Policy will be reviewed every two years.**

REASON(S) FOR THE RECOMMENDATION(S)
The recommendations are to ensure that the policy is appropriately adopted, in accordance with the Council's Constitution and to evidence compliance with regulatory requirements.

ALTERNATIVE OPTIONS CONSIDERED
The policy is designed to ensure compliance with the relevant provisions of the Housing Act 1985 and to assist the Council in meeting the Regulator of Social Housing's Consumer Standards which came

into effect on 1 April 2024 as well as the requirements and recommendations of the Housing Ombudsman. Failure to comply with the legislative provisions or meet the requirements of the Consumer Standards could result in the Regulator using its enforcement powers which include requiring a registered provider to submit a performance improvement plan or to take particular actions set out in an enforcement notice.

The Regulator can also authorise an appropriate person to enter a social housing premises to take emergency remedial action and issue penalties or require the housing provider to pay compensation.

The absence of suitable and published policies makes the day-to-day operation of the service more difficult with the potential for inconsistencies in approach and increases the likelihood of complaints.

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES

The policy contributes to a number of Corporate Plan 2024-28 themes:

- Pride in our area and services to residents
- Raising aspirations and creating opportunities
- Working with partners to improve quality of life
- Financial sustainability and openness

OUTCOME OF CONSULTATION AND ENGAGEMENT (including with the relevant Overview and Scrutiny Committee and other stakeholders where the item concerns proposals relating to the Budget and Policy Framework)

Consultation and engagement has been undertaken with the Council's Tenant Panel who indicated their support for the introduction of the policy at their meeting on 16 June 2026. Members of the Tenant Panel and the Tenant Reading Group will also be involved in monitoring the effectiveness housing policies.

LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	**YES**	**If Yes, indicate which by which criteria it is a Key Decision**	**X Significant effect on two or more wards** **☐ Involves £100,000 expenditure/income** **☐ Is otherwise significant for the service budget**
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	**23 April 2026**

The Regulator of Social Housing sets regulatory standards that define the outcomes that landlords must deliver. These standards are set under powers conferred to the Regulator under the Housing and Regeneration Act 2008. All landlords are expected to deliver the outcomes of the standards that apply to them.

YES	**The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

Secure Tenants have rights under section 92 Housing Act 1985 to exchange their tenancy with another secure or assured tenant with the written consent of their landlord.

The Housing Act 1985 sets out the statutory grounds under which a landlord may refuse a mutual exchange. A landlord can only refuse permission if specific conditions in Schedule 3 are met, such as ongoing court proceedings for possession, anti-social behaviour orders, or other legal actions against the tenant or proposed assignee. This ensures that tenants cannot be arbitrarily denied the right to exchange.

The Housing Act 2004 introduced additional provisions, including Ground 2A, which allows landlords to refuse an exchange if certain injunctions, anti-social behaviour orders, or possession orders are in force or pending against the tenant or someone residing with them. This strengthens protections for landlords while maintaining tenants' rights to exchange where appropriate.

It is noted that the draft Policy refers to the legal framework, and it is presumed that this follows the operational arrangements within the service to comply with the legislation applicable to this process.

FINANCE AND OTHER RESOURCE IMPLICATIONS

This policy does not have any specific additional finance or resource implications. A budget and staffing provision already exists for the provision of the mutual exchange service. Mutual exchanges provide a mechanism for tenants to move within the social/affordable housing sector and this flexible management of the housing stock may provide wider financial advantages.

YES	**The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

There are no further comments over and above those set out elsewhere within the report.

USE OF RESOURCES AND VALUE FOR MONEY

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;	The Council has an adopted 30 year Housing Revenue Account Business Plan.
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	The Council has a mature constitutional structure and framework of policy for decision-making. It is intended that the appended policy will augment that framework.
C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.	

MILESTONES AND DELIVERY

If Cabinet agrees to the adoption of this policy, it will come into immediate effect, subject to call-in.

A review of this policy will be carried out every two years with a delegation to the Corporate Director (Operations and Delivery) to make future changes and updates to the policies in consultation with the Portfolio Holder responsible for housing.

ASSOCIATED RISKS AND MITIGATION

The policy has been written to set out how the council will comply with statutory requirements and assist the Council in meeting the consumer standards set by the Regulator of Social Housing.

Failure to meet these requirements could result in the Regulator using its enforcement powers which include requiring a registered provider to submit a performance improvement plan or to take particular actions set out in an enforcement notice. The Regulator will also be able to authorise an appropriate person to enter a social housing premises to take emergency remedial action and issue penalties or require the housing provider to pay compensation.

The adoption and implementation of these policies are aimed at minimising the risks of non-compliance and in ensuring that the Council makes the best use of its housing stock.

EQUALITY IMPLICATIONS

In line with the Public Sector Equality Duty, within this policy the Council has due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

SOCIAL VALUE CONSIDERATIONS

Creates healthier, safer and more resilient communities: To build stronger and deeper partnership working arrangements whilst continuing to engage and empower tenants.

IMPLICATIONS RELATED TO DEVOLUTION AND/OR LOCAL GOVERNMENT REORGANISATION

It is essential that the Council's housing service has clear policies in place as they enter the period of transition to a new unitary authority. The unitary authority will need to take over the review of the various policies and procedures that novate across to it.

IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2050

The implementation of this policy does not present a direct impact on the Council's target for net zero greenhouse gas emissions from its business operations by 2050. The Council will be mindful of energy efficiency measures, wherever relevant, in the implementation of its policies.

OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS

Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.

Crime and Disorder	The implementation of this policy is not considered to have any crime and disorder implications.
Health Inequalities	None
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related	The Council will follow subsidy control legislation and regulations, where applicable, in relation to the

Statutory Guidance)	content and implementation of this policy.
Area or Ward affected	All

PART 3 – SUPPORTING INFORMATION

BACKGROUND

The Housing Act 1985 enables eligible secure tenants of the Council to exchange their home with other eligible social housing tenants in a process known as 'mutual exchange'. The proposed Housing Mutual Exchange Policy attached as **Appendix A** outlines the Council's approach to publicising, supporting and making access to mutual exchanges easier to provide tenants with a level of choice about where they live. The Policy:

- Delivers a fair and consistent mutual exchange scheme in line with legislation and the Regulator of Social Housing Consumer Standards (Tenancy Standard - GOV.UK (www.gov.uk)) Specifically, registered providers must offer a mutual exchange service which allows relevant tenants potential eligibility for mutual exchange to easily access details of all available matches without payment of a fee. Providers must also publicise the availability of any mutual exchange services it offers.
- Provides clear guidance for tenants, staff and partner agencies on the mutual exchange scheme, the eligibility criteria and setting out the circumstances for assigning or surrendering a tenancy, along with the grounds for refusing an exchange and providing a clear appeals process.
- Improves housing mobility for social housing tenants, and to those needing to move to the area for work or personal reasons.
- Promotes more effective use of the Council's existing stock by enabling tenants to move to a property that is more suitable for their needs.
- Addresses under-occupancy and/or overcrowding pressures by releasing suitably adapted homes for those that need them.
- Helps to relieve pressure on the Council's Housing Register.

<u>Policy Background</u>

The Council has retained its housing stock and currently manages over 3,000 homes as well as more than 400 leasehold properties and 350 garages.

The Social Housing (Regulation) Act 2023 aimed to lay the foundations for changes to how social housing is managed. It includes increased regulation of how services are provided and increased building safety. The Consumer Standards contain specific expectations registered providers of social housing must comply with and detail the outcomes that providers are expected to achieve. These standards came into force on 1 April 2024.

One of these Consumer Standards – the Tenancy Standard ensures providers offer tenancies or terms of occupation which are compatible with the purpose of the accommodation, the needs of individual households, the sustainability of the community, and the efficient use of their housing stock. It also outlines that social landlords meet all applicable statutory and legal requirements in relation to the form and use of tenancy agreements or terms of occupation and support relevant tenants living in eligible housing to mutually exchange their homes.

To hold housing providers accountable, the Regulator of Social Housing will inspect larger landlords (those with more than 1,000 properties) regularly, scrutinise tenant satisfaction data and use enforcement powers when necessary. The goal is to drive continuous improvement in social housing and ensure tenants receive the best possible service.

To ensure that the Council can meet its statutory and regulatory duties as a responsible social housing landlord it is essential that this policy is in place.

PREVIOUS RELEVANT DECISIONS
None

BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL
None

APPENDICES
➢ **Appendix A –** Housing Mutual Exchange Policy

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