



Leicester  
City Council

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# Mutual Exchange Swap Scheme

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**Housing Scrutiny Commission:**

Date of meeting: 9 July 2026

Lead member: Cllr Cutkelvin

Lead director: Chris Burgin

## **Useful information**

- Ward(s) affected: All
- Report author: Gurjit Kaur Minhas
- Author contact details:
- Report version number: V1

### **1. Summary**

1.1 This report outlines the current Mutual Exchange Swap Scheme available to LCC Housing Tenants who have a secure tenancy. The report also identifies improvements that can be made to the current process to keep tenants updated on their mutual exchange request.

1.2 The mutual exchange policy is at Appendix A

### **2. Recommended actions / decisions.**

2.1 To improve the information provided throughout the mutual exchange process to keep tenants updated on timescales, especially where conditional approval has been granted and repairs or alterations must be rectified.

2.2 A final physical inspection of the property by the incoming tenant so they accept the property fully knowing what condition it is in before they move in.

2.3 To support publicising Swaptracker to tenants to enable more people to self -serve.

2.4 To update the information on the Council's website so tenants know what to expect of the process

### **3. Scrutiny / stakeholder engagement.**

3.1 The Tenants Scrutiny Panel have been input into the proposed changes and advised that tenants should get regular updates on their case.

### **4. Background**

4.1 Leicester City Council recognises and promotes mutual exchanges as they increase tenant mobility and choice. This helps to create sustainable communities, reduce void costs and makes best use of our stock. We often have people swapping if they need to downsize or if their home has become too large for them. This also helps tenants affected by the bedroom tax.

4.2 The exchange process is a legal right for secure tenants, unless we as a landlord have a right to refusal, as set out in Housing Act 1985 or the Localism Act 2011.

4.3 A secure council tenant can swap their property anywhere in the country with another council tenant or a housing association tenant. To be a secure tenant they must be living in their council property for over 12 months. Tenants cannot apply for an exchange if they are on an introductory tenancy or living in a HomeCome property.

4.4 On the Council's website there is an online application form and a link to HomeSwapper, which is a national mutual exchange service LCC tenants can use for free. Housing officers will help tenants that cannot use online channels to put in an application manually.

4.5 Once a tenant has found someone to exchange with and the request has been accepted, the Housing Officer will lead on the process and carry out checks to see if the tenant has a clear rent account and there are no current breaches of tenancy conditions. The officer will request a technical property inspection and contact the Housing Officer/ landlord of the 2<sup>nd</sup> party in the exchange.

4.6 The council has 42 days legally, to decide on an exchange, if it does not meet this timeframe tenants can exchange themselves. However, if there are rent arrears or other breaches of the condition of tenancy identified, then the council can make a conditional approval subject to the breaches being rectified.

4.7 We do advise tenants if they swap to a different type of tenancy for example a housing association assured tenancy, rent levels may be different and they will lose their right to buy. We also advise tenants that they must be satisfied with the condition of the property that they are exchanging to. In all the letters it clearly states:

**It is important that you carefully check the property you want to move to, as you will be accepting it in its current condition. Housing Services will only undertake repairs it is responsible for carrying out. We will not accept responsibility for any alterations or damage caused by the outgoing tenant.**

4.8 In 2025/26, 281 mutual exchanges were initiated by LCC tenants and 158 completed. The reason for the lower completion rate is:

- Exchanges are refused following initial checks
- A party pulls out of an exchange part way through
- Tenancy breaches identified that need to be rectified
- Major repairs have been identified which need to be addressed

#### 4.9 The current process:

##### 1. Application Stage

- Application received and business action raised
- Acknowledgement letter sent out noting 42-day deadline for decision
- Officer carries out initial checks, tenancy type, household members, size of property to exchange to etc

##### 2. Further Checks Stage

- Rent arrears or Notice
- ASB Notice
- Tenancy Type of incoming tenant
- Is property adapted?

##### 3. Acknowledgement or Refusal Stage

- Further acknowledgement letter sent to tenant. **We are proposing that we state in the letter here that if initial checks are passed the application is subject to a satisfactory electrical and property inspection.**
- Refusal letter explaining the legal grounds for refusal as below.

#### **These are some of the main legal reasons for refusal:**

- If a tenant has a court order outstanding.
- If legal proceedings have started for possession of their property.
- If the proposed tenant moving in would be under occupying the property.
- If the proposed incoming tenants would be over occupying the property.
- If the tenant lives in a property that is mainly for non-housing accommodation, or when a tenant(s) property is linked directly to their job working for the Council.
- If the property is adapted for disabled use and the incoming tenant does not need this type of property.
- If the property and / or tenancy is linked to the provision of support.

##### 4. Liaison with 2nd Party Landlord Stage

- Contact made with 2<sup>nd</sup> party's officer/landlord to see if their initial checks on their side have passed

##### 5. Inspections Stage

- Housing Officer requests a technical inspection,
- Housing Office requests an electrical inspection

## 6. Inspections Outcome Stage

- If technical and electrical inspections on both sides of the exchange pass, the officer will write to the tenant about the exchange proceeding and agree an assignment date for both parties. (There may be occasions where tenants' alternations have been in place for a very long time, where no records are available approving the adaptation, in this case they would become LCC responsibility.)
- If inspections do not pass, the officer provides the inspection report to the tenant informing them what must be done for the exchange to proceed.

## 7. Conditional Approval Stage

- The officer will issue a conditional approved letter if issues need to be rectified. **We are proposing that the letter fully outlines which issues have been identified, which are the council's responsibility, and which are the tenants and the timescale for completion.**

## 8. Final Property Checks Stage

- Officer carries out final checks to ensure all outstanding issues corrected and take photos. **We are proposing that the incoming tenant is informed to carry out final physical inspection of property they are moving to and confirm they are happy to accept it**
- Officer to arrange an assignment date
- Officer to arrange a gas fill and test to be completed

4.10 From exploring case studies, issues and complaints mainly arise in relation to:

- The amount of time taken for an exchange to take place. (This usually is a result of remedial work being carried out.)
- Queries about which repairs are the responsibility of the outgoing tenant and the condition of the property after the incoming tenant has moved in. (The condition of property can be due to some of these cases taking a long time to complete, therefore the property condition has changed since the initial viewing or inspection.)
- Being kept updated throughout the process is also frequently raised as a concern by tenants.

4.11 To address the issues of keeping tenants updated, we recommend detailed updates as proposed at Stage 2, the acknowledgement stage and at Stage 7 the conditional approval stage. At stage 8 we are recommending that the incoming tenant physically revisits the property again to make sure they are happy with the condition before they finally accept.

4.12 When sending out updates we will include information about the Housing Pop – up Offices, so tenants know how to contact their housing officer if they have any enquiries.

4.13 We are also bringing in Swaptracker which is an online tool that tenants can use themselves to self-serve. It compliments Home Swapper and enables housing officers to update information on a case. This will allow tenants to be able to see what stage they are at in the process. The timeline for Swaptracker to go live is July 2026.

#### 4.14 **EasyMove**

4.14.1 EasyMove is available to all under-occupying Social Housing Tenants who would like to exchange their tenancy with an overcrowded Social Housing Tenant. The scheme aims to remove barriers for tenants who qualify for a Banding Priority on the Housing Register but have been unable to achieve a move or have not yet applied for housing.

4.14.2 To ensure efficient and appropriate use of funds available for the scheme, an assessment of each individual's needs and preferences is completed to determine what the barriers are to them moving so that additional incentives can be offered to support the move. These consist of:

4.14.3 For under-occupiers:

- Free removals service where the tenant does not have the financial means.
- Cash incentive up to £1000 to help towards rent arrears and other costs incurred.

4.14.4 For both under occupiers and overcrowded tenants:

- Decorating allowance where the tenant does not have the financial means to contribute towards decorating materials.
- Assistance with liaison with utility companies.
- Advice on rubbish disposal and arrangement of bulk collections.
- Assistance with identifying and notifying other key services e.g. Banks, GP's, Dentist etc.
- Referrals to other services for support e.g. Community Support Grants (CSGs).
- Assistance to resolve any outstanding repairs issues.

4.14.5 The officer also offers the following:

- Advice and support to bid for suitable properties on Leicester HomeChoice in line with the households' wants and needs. Officers will ensure that tenants have realistic expectations about what Social Housing homes are available for them to bid on.

- A mutual exchange matching service to match overcrowded tenants with under occupying tenants through HomeSwapper and/or the Housing Register to improve or resolve overcrowding without creating a void property and the associated costs to the Council. This will ensure best use of stock, reduced impact on void service costs and resources and more appropriate living conditions.
- Advice and support to access the private rented sector and shared ownership schemes, linking in with the Private Rented Sector Team.

4.14.6 The scheme began in July 2023 and as of 27/4/2026, has successfully moved 92 households into more suitably sized accommodation. This is broken down into fiscal years below.

4.14.7

<b>Year</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27 YTD</b>
<b>Exchanges</b>	12	16	16	2
<b>Tenants moved</b>	25	32	33	4

#### **4.1 Recommendations:**

4.1.1 To enhance the information provided throughout the mutual exchange process to keep tenants updated on timescales, especially where conditional approval has been granted and repairs or alterations must be rectified.

4.1.2 A final physical inspection of the property by the incoming tenant so they accept the property fully knowing what condition it is in before they move in.

4.1.3 To support publicising Swaptracker to tenants to enable more people to self -serve.

4.1.4 To update the information on the Council's website so tenants know what to expect from the process.



## 4. Financial, legal, equalities, climate emergency and other implications

### 4.1 Financial implications

The recommendations contained within this report can be delivered within existing budgets and there are no direct financial implications arising from this report.

Signed: Jade Draper, Principal Accountant

Dated: 27/05/2026

### 4.2 Legal implications

While there are no direct legal implications from a litigious perspective, it is important that any decisions are recorded appropriately in the event of future challenge on a refusal (or delays). It is also important that the system utilised for self service set out the relevant information that a tenant should be aware of with respect to the process (noting that the tenant should seek independent legal advice in any event).

Signed: Shazmina Ghumra (Principal Solicitor – Civil Litigation)

Dated: 25 June 2026

### 4.3 Equalities implications

Our Public Sector Equality Duty (PSED), requires us to eliminate unlawful discrimination, advance equality of opportunity and foster good relations between those who share a protected characteristic as defined by the Equality Act 2010 (sex, sexual orientation, gender reassignment, disability, race, religion or belief, marriage and civil partnership, pregnancy and maternity, age) and those who do not. The mutual exchange scheme supports tenant choice and mobility and is available to secure tenants subject to the statutory criteria and grounds for refusal. The proposed improvements are expected to have a positive equalities impact by making the process clearer, more transparent and easier to follow, particularly for tenants who may need additional support to understand timescales, repair responsibilities or conditional approvals. It is important to ensure that the service remains accessible to all tenants, including those with disabilities, low digital confidence, language barriers or other vulnerabilities. Where tenants are unable to use online channels, appropriate alternative access and support should remain available, and reasonable adjustments should be made where required. The recommendation for a final physical inspection by the incoming tenant should help reduce misunderstanding and avoid disadvantage for tenants who may need more time or support to understand the condition of the property. Overall, the proposals are intended to advance equality of opportunity by improving access to information, reducing uncertainty and supporting a fair and consistent service for all tenants.

Signed: Surinder Singh, Equalities Officer, Ext 37 4148

Dated: 29 May 2026

#### 4.4 Climate Emergency implications

There are no significant climate emergency implications arising from this report.
Signed: Phil Ball, Sustainability Officer, Ext 372246
Dated: 20 <sup>th</sup> May 2026

#### 4.5 Other implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply?)

**5. Background information and other papers: N/A**

**6. Summary of appendices: Appendix A Mutual Exchange Policy**

**7. Is this a private report (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)? No**

**8. Is this a “key decision”? If so, why? No**

## **Appendix A**

### **Mutual Exchange Policy 2025**

#### **Introduction**

Leicester City Council recognises that promoting mutual exchanges encourages tenant mobility and tenant choice, helping to create sustainable communities.

The mutual exchange is affected by an assignment under which each exchanging tenant takes over the tenancy of the other exchanging tenant. Housing Services will deal with applications promptly, fairly and efficiently and in accordance with the mutual exchange procedure.

Secure tenants have the right to exchange properties unless there are grounds for refusal.

#### **Who the Policy Applies to**

Mutual exchanges can take place between two or more tenants who have secure tenancies. Secure tenants are also able to exchange with housing association tenants on assured tenancies or fixed term tenancies in certain circumstances.

Introductory and demoted tenants do not have the right to exchange.

Written permission is needed before an exchange can take place. Where tenants are moving from one landlord to another, written permission must be obtained from all landlords involved in the Mutual Exchange, before any exchange takes place.

#### **Policy Context**

A mutual exchange is an agreement between two or more parties to exchange tenancies and properties. Where they meet the criteria and there are no grounds to refuse the request, tenants have the right to exchange. Grounds for refusing a mutual exchange apply (as set out in Schedule 3, Housing Act 1985) for any of the households involved.

When a secure or assured tenant intends to exchange with a flexible or assured shorthold tenant, a landlord can only refuse consent for a mutual exchange on specific grounds. The grounds for refusal are set out in schedule 14 of the Localism Act 2011.

The grounds for refusal are set out in Appendix I

Housing Services has 42 days to make a decision if tenants are entitled to exchange. Tenants have the right to exchange properties if the Council does not make a decision to accept or refuse the exchange within 42 days.

Where there are rent arrears, outstanding rechargeable repairs or where there are other breaches of tenancy conditions. Housing Services may give conditional permission to exchange, the exchange cannot proceed until any breach is remedied. Page 3 of 6

In exceptional circumstances an exchange can be granted without a clear rent account at the District Managers discretion, providing a repayment plan is set up to clear any arrears.

Housing Services should advise applicants that “It is important that you are aware of the type of tenancy you are exchanging to. Some Housing Associations use different types of tenancies including fixed term. You need to be sure what the rent is, what type of tenancy it is and if you would lose your right to buy. Ask your Housing Officer for advice if you are not sure.”

Housing Services will undertake an inspection of the properties (Council tenants only). This will be to identify if there have been any major concerns, tenant adaptations, alterations or damage.

It is the responsibility of the incoming tenant to ensure they are satisfied with the general condition of the property. Housing Services will not be responsible for repairing, replacing or improving aspects of the property that would normally be the responsibility of the tenant as defined in the Conditions of Tenancy. See the Repairs Handbook for more details on the repair responsibilities.

Where permission is refused or made conditional due to a breach of tenancy or any other reason, housing services will only disclose the full reason to the tenant affected or at fault. The other party will be informed that permission is conditional or has been refused. Leicester City will not be able to provide information that is held in confidence by another landlord. This also applies where there are two or more landlords involved.

The Housing (Preservation of Right to Buy) Regulations 1996 permits transferred tenants to retain their right to buy as they move from one dwelling to another within the same landlord.

### **Purpose of the Policy.**

The purpose of this policy is to ensure that requests from tenants to exchange tenancies and properties are managed efficiently and effectively in line with the rights tenants have to mutually exchange.

Where Housing Services wishes to refuse a tenant's request to exchange, notice of this refusal will be provided within 42 days of the original application. The grounds for the refusal will be explained in the letter.

In order to meet the aims and principles applying to this policy, Housing Services will:

Promote opportunities for tenant mobility

Give general advice on the implications of taking over the tenancy agreement of another tenant. Tenants should seek independent legal advice where appropriate.

Arrange for a gas and electrical safety check to be carried out and carry out any gas related works found to be necessary.

Ensure that tenants are aware that any repairs / improvements, which are not deemed the responsibility of the Council and will be their responsibility.

### **Training and staff support**

We will regularly provide clear guidance and training for relevant staff on identifying necessary actions to deliver this policy.

### **Service Delivery**

It is the responsibility of all staff of the housing division to act in accordance with this policy statement by taking ownership of service delivery.

We will take steps to ensure that residents are informed of the policy for example at sign up, at the first visits and at regular intervals through the tenancy. Information on Mutual Exchanges will also be advertised on our website.

## **Equality and Diversity**

LCC will apply this policy fairly to all residents regardless of protected characteristics. Where necessary we will store information about a person's vulnerability on our ICT systems and use this information when tailoring services to meet the tenant's needs.

### **Data Protection**

We will work in line with our data protection policies when handling personal data. How we use personal data is set out on in our Privacy Notice on our website: [www.leicester.gov.uk](http://www.leicester.gov.uk).

We will share contact and other relevant information with agencies and other landlords where this fulfils our requirements to deliver this policy

### **Review**

This Policy will be reviewed every 3 years, or where there is a significant change in legislation which affect the Right to Mutual Exchange.