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Key Decision:	No
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HOUSING POLICY DEVELOPMENT COMMITTEE
18 MARCH 2014
PROMOTING MOBILITY THROUGH MUTUAL EXCHANGE

1 Purpose of Report

- 1.1 To consider guidance issued by the Department for Communities and Local Government on promoting mobility through mutual exchanges.

2 Recommendations

- 2.1 That the Housing Policy Development Committee consider the guidance issued by the Department for Communities and Local Government and identify areas where the Council's mutual exchange service could be further improved.

3 Key Issues and Reasons for Recommendation

- 3.1 The Department for Communities and Local Government (DCLG) have issued a guidance note on promoting mobility through mutual exchange. This draws upon the experience of 12 mobility pilots that were funded to test innovative and cost-effective ways of supporting mobility through mutual exchange.
- 3.2 An additional publication provides a summary of the key lessons to be learnt from 12 authorities or partnerships of authorities selected by DCLG to participate in a mobility demonstration project. This project had three broad objectives:
- To identify the steps that social landlords can take to increase mobility via mutual exchange;
 - To identify the benefits arising for different organisations from increased mobility via mutual exchange in the social rented sector;
 - To review whether a payment by results pricing model for the provision of mutual exchange services can increase mobility in the sector.

- 3.3 Mutual exchanges are beneficial for both the Council and tenants. For tenants it can represent a more realistic option of securing a move than waiting for a transfer. For the Council, it can help with efforts to maximise efficient use of stock to best meet housing need and minimise problems such as rent arrears. Mutual exchange can also provide major benefits for other services. For example, helping a tenant to move through mutual exchange to be closer to family and friends can reduce demand on health and social care services and result in cost savings.
- 3.4 The guidance sets out seven key steps that local authorities and social landlords can take to help promote mobility through mutual exchange. These seven steps detailed below are considered against the Council's current position in Section Five of the report.
- (i) Make the case for mutual exchange;
 - (ii) Take a partnership approach;
 - (iii) Raise tenant awareness and understanding;
 - (iv) Minimise the costs and simplify the process;
 - (v) Support tenants to find a match and secure a move;
 - (vi) Commit employee time and resources;
 - (vii) Ensure mutual exchange is a viable and attractive proposition.

4 Relationship to Corporate Priorities

- 4.1 The provision of mutual exchanges contributes to the service aim to "manage the Council's housing stock" which forms part of the Housing Portfolio section within the agreed 2013-14 "Place" Priority Delivery Plan.

5 Report Detail

- 5.1 In February 2014 the Department for Communities and Local Government issued guidance entitled "*Promoting mobility through mutual exchange: realising the potential*" to advise local authorities and social landlords to better promote mutual exchanges. The guidance can be viewed on the DCLG website www.gov.uk/dclg.
- 5.2 The guidance considers seven key steps which local authorities and social landlords can take to help promote mobility through mutual exchanges which are considered below. These reflect the lessons learnt by the local authorities and social landlords which took part in a demonstration project run by the Department for Communities and Local Government. The project took place during 2011-2013 and explored what works in promoting mobility via mutual exchange.
- (i) Make the case for mutual exchange**
- 5.3 Promoting mutual exchange requires commitment in terms of time, effort and resources. This is unlikely to be forthcoming if a local authority and its partner landlords are unclear about the costs and benefits. It is therefore important to

outline the benefits for tenants, landlords and other service providers of an increase in mutual exchanges and to make a clear business case for investing to promote mutual exchange. This will require local authorities and landlords to collect robust data about the number and profile of mutual exchanges taking place to assist them in assessing the benefits.

- 5.4 The Council considers the provision of mutual exchange to be beneficial for both itself and tenants. The Council actively promotes mutual exchanges to all secure tenants as a way of meeting their housing needs, and ensuring that tenants have a home that is suitable to their size requirements. The benefit of mutual exchange for the Council is that it can make best use of its available stock and the cost of a mutual exchange is far less than it is for a transfer or a re-let.
- 5.5 Records of each exchange completed enable the type of exchanges completed to be profiled whilst the table below presents the headline figures for the number of mutual exchange moves completed in the last 5 years.

Year	Mutual Exchanges completed
2013/14 to date	54
2012/13	49
2011/12	53
2010/11	56
2009/10	45

- 5.6 The number of mutual exchanges has increased in 2013-14 as a result of the Government’s welfare reform measures, particularly the Social Sector Size Criteria. Since SSSC came into force on 1 April 2013, up to 31 December 2013 100 Mutual Exchange requests were received. Compared to the same period in the previous year (1 April 2012 to 31 December 2012), the number of requests has increased 56%, an increase of 46 requests. There have been 14 completed mutual exchange moves during the April – December 2013 period, where a participating tenant household has downsized to avoid the SSSC deduction.

(ii) Take a partnership approach

- 5.7 Mutual exchange typically involves tenants moving relatively short distances. The more landlords in an area that are actively promoting and supporting the mutual exchange process the more opportunities tenants will have to secure a move. This will demand co-operation, communication and co-ordination between the local authority, landlords and other service providers to ensure a consistent and reliable system that minimises barriers and maximises the opportunities provided by mutual exchange.
- 5.8 In 2011, the Government launched HomeSwap Direct. This online scheme is designed to make it easier for tenants to find a mutual exchange by allowing them to view matches held by four participating mutual exchange providers (House Exchange, HomeSwapper, Locata and Abritas) rather than only being able to view matches held by the provider that their landlord subscribes to. To this end the four providers signed a membership agreement setting out the

conditions under which information will be shared. As a result, tenants are now able to easily search for matches across all four providers.

- 5.9 The Council are a registered member of the “HomeSwapper” service provider and tenants are able to search for mutual exchanges in any area they choose, moving short distances or long distances, within the District or outside the District. All of the Council’s housing associations partners with stock in the District are registered with “HomeSwapper” or “House Exchange” providers.

(iii) Raise tenant awareness and understanding

- 5.10 Many tenants are unaware or unclear about the possibilities provided by mutual exchange. Tenants who are unaware or uncertain about the opportunities are unlikely to engage with the process, reducing the pool of properties from which tenants seeking a mutual exchange might secure a match. Increasing knowledge and awareness is therefore critical to efforts to promote mobility through mutual exchange.
- 5.11 Flyers, leaflets, articles in tenant newsletters and advertising on buses and on local radio can help raise awareness of mutual exchange. However, direct contact with tenants is likely to prove the most effective means of raising awareness and interest in seeking an exchange. Housing officers should be briefed about mutual exchange so that they are able to inform tenants that they come into contact with about the opportunities provided and how to go about seeking an exchange.
- 5.12 Employees might also actively reach out to tenants and share information about mutual exchange and how to register, for example, through road shows and information stalls in shopping centres. “Speed-dating” events are another effective way of promoting mutual exchange to tenants. They involve issuing invitations to tenants to attend a session where they are introduced to mutual exchange, can find out about opportunities for moving, and are assisted to register and search for possible matches.
- 5.13 The Council actively promotes the provision of mutual exchange. “HomeSwapper” is continually publicised to tenants through various channels, such as Hometalk magazine, tenancy officer visits, Council website, letters and other circulations to tenants. Three mutual exchange open days were also held in November 2013 to advertise mutual exchanges and HomeSwapper.

(iv) Minimise the costs and simplify the process

- 5.14 Most social landlords subscribe to a mutual exchange service, which provides their tenants with free access to a web-based mutual exchange scheme that holds information about other tenants seeking an exchange. However, different landlords subscribe to different mutual exchange providers. Tenants of one landlord have therefore sometimes struggled to view information about tenants of other landlords who are also seeking an exchange. Until recently, the only option was for tenants to register and pay a fee to access different mutual exchange providers. This complicated the process and increased the costs of pursuing a mutual exchange. In response, the Government launched HomeSwap Direct in 2011.

- 5.15 HomeSwap Direct allows tenants looking to move to see whether there are any matches both on the website that their landlord subscribes to and on the websites of other mutual exchange providers who participate in HomeSwap Direct. This increases the likelihood of a tenant finding a relevant match and the chances of securing an exchange. As a result, tenants now have free access to the full details of matches on the site their landlord subscribes to and, after seeing the number of properties available, can choose whether they wish to subscribe to other sites to view full contact details.
- 5.16 There are also ways that local authorities and landlords can work together to further minimise the costs and simplify the process of mutual exchange. Some tenants want to move longer distances to a different town or city, but most are seeking a move within the local area. Any initiative that makes it easier and cheaper for tenants to find out about properties in the area will increase the number of successful mutual exchanges. For example:
- the local authority and other local landlords might register with the same mutual exchange provider to guarantee their tenants free access to a large pool of possible matches;
 - local authority landlords might consider providing all tenants free access to their mutual exchange site;
 - agreements might be brokered between landlords providing free access to full details of matches for tenants of either landlord.
- 5.17 As stated in paragraph 5.9, the Council are a registered member of the national mutual exchange provider “HomeSwapper”. HomeSwapper is a service operated by Housing Partners Limited. It is the “market leading mutual exchange service” that works in partnership with more than 750 councils and housing associations, and is now freely accessible to more than 3.2 million social households across the UK. It claims that over 25,000 households are swapping homes through HomeSwapper each year. HomeSwapper are one of the four major providers under the Government’s HomeSwap Direct initiative and so tenants are able to view property matches from the majority of social landlords across the Country. All Council tenants have free access to HomeSwapper and as a result of HomeSwap Direct have free access to mutual exchange matches on the other three national mutual exchange provider websites covering the vast majority of local authorities and housing associations in the Country.

(v) Support tenants to find a match and secure a move

- 5.18 In practice, many tenants will require help negotiating their way through the mutual exchange process. Without this help, some tenants are unlikely to move via a mutual exchange. The challenges that tenants can encounter include:
- accessing and using mutual exchange websites;
 - reviewing matches on an on-going basis;
 - managing inquiries about their property;
 - negotiating with other tenants;
 - managing the move;
 - home-making following the move (for example, repairs and decoration).

- 5.19 One approach is to target support and assistance to help tenants overcome these challenges at the most vulnerable tenants, as well as focusing on promoting moves of the greatest strategic value to the landlord (for example, targeting under-occupiers). A helpline is one way of providing help and advice, but experience suggests that many tenants prefer face to face contact with a housing officer when seeking help with a move.
- 5.20 Moving home is a daunting prospect for some tenants. Concerns include the costs and practicalities of moving, worries about the condition of the new accommodation and the costs of putting right any problems. These concerns can undermine willingness to consider a mutual exchange. Financial and practical assistance might be necessary to help tenants overcome these worries. This might include help with the move, carrying out basic repairs and help connecting utilities so that people are not moving into poor conditions. This would ensure that the mutual exchange process is comparable, in terms of costs and outcomes for the tenant, with the transfer process.
- 5.21 The Council provides the following support to tenants in order for them to secure a mutual exchange move:
- Is a member of HomeSwapper, enabling tenants to search for large selection of properties;
 - Holds surgeries to promote mutual exchange;
 - Provides advice to tenants, especially those down sizing, that a mutual exchange could address their housing needs.

(vi) Commit employee time and resources

- 5.22 A series of tasks are critical to efforts to maximise the effectiveness and efficiency of the mutual exchange process:
- promoting support for mutual exchange among partner landlords;
 - securing the commitment of local authority managers and elected members;
 - reaching agreement with partners regarding the specifics of the local approach, including roles and responsibilities, policy, practice and resourcing;
 - overseeing the development and the ongoing management of local systems and processes;
 - raising knowledge and awareness about mutual exchange among housing officers and within other relevant services;
 - marketing mutual exchange to tenants;
 - guiding tenants through the mutual exchange process.
- 5.23 It is important that housing officers, and employees in allied services, are familiar with the opportunities provided by mutual exchange and the practicalities of the process so they can provide advice and signpost clients to further information and assistance. Housing officers need to understand the practicalities of the mutual exchange process and the opportunities it offers, so they can inform and advise relevant tenants. Services working with people requiring a move, such as occupational therapists and other health and social care services, need to be aware of how the mutual exchange process operates, how it can support service delivery and provide cost savings. There is also value in actively promoting

knowledge and understanding of mutual exchange within public-facing services likely to come into contact with tenants.

- 5.24 The Council does not have a dedicated 'specialised' officer dealing with mutual exchanges; all members of the Allocations team have a significant role in promoting mutual exchanges. The Rents and Estate Management teams also promote mutual exchanges as a way of resolving neighbour nuisance / neighbour compatibility.

(vii) Ensure mutual exchange is a viable and attractive proposition

- 5.25 Various steps can be taken to make mutual exchange a more attractive and viable proposition for tenants. Financial incentives might be introduced, for example, to encourage tenants to downsize via a mutual exchange (although experience suggests that relatively small incentives of £100 or £200 have little impact). These might mirror the financial incentives sometimes made available to certain groups of transferring tenants (for example under-occupiers). Landlords might also look to minimise the risks associated with an exchange for tenants. This might include undertaking repairs on exchanged properties on a similar basis to transferred properties, in response to tenant concerns about being liable for the condition of their new property.
- 5.26 Landlord flexibility in relation to the grounds on which consent for a mutual exchange is withheld can also increase the number of exchanges taking place. This involves weighing up the costs and benefits of consenting to an exchange, rather than rigidly enforcing guidelines. A flexible approach is recommended to be taken and it is helpful if all landlords in an area adopt a common approach in a bid to ensure clarity and consistency in the way tenants are treated.
- 5.27 In response to Social Sector Size Criteria, Cabinet on 19 October 2013 amended the allocation policy to allow mutual exchanges to take place where one or both parties has arrears as a result of reform measures. This is to be reviewed by Cabinet on 10 July 2014, following a six month operational period.
- 5.28 Cabinet on 19 April 2012 agreed to the implementation of a Transfer Incentive Scheme (TIS) which included a £1000 incentive package to encourage tenants who under occupied family accommodation or adapted properties to move to smaller accommodation. However the TIS did not prove very popular and was suspended by Cabinet on 20 February 2013 as a result of changes to the allocation policy which awarded Band One priority to under-occupying Council tenants.
- 5.29 Consideration could be given to offering a financial incentive to encourage Council tenants to complete mutual exchange moves. During 1 April 2013 to 31 December 2013 there were 70 downsize transfer moves compared to 14 downsize mutual exchange moves. There are higher costs for the Council associated with a transfer move compared to a mutual exchange move, including potential rent loss, decorating allowances and additional repair works. Therefore offering a financial incentive to encourage more tenants to mutually exchange rather than transfer may be a 'spend to save' option.

6 Implications**6.1 Financial**

There are no direct financial implications for the Council as a result of this report. If the Council decides to amend the mutual exchange policy this will be the subject of a further report including the full implications for the Council.

6.2 Legal

There are no direct legal implications arising from this report.

6.3 Human Resources

None

6.4 Section 17 (Crime Prevention)

None

6.5 Human Rights Act

None

6.6 Data Protection

None

6.7 Risk Management

None

6.8 Equality & Diversity

The Council's Allocations Policy, of which mutual exchanges are subject to, has been fully assessed in relation to the Council's responsibilities regarding equality and diversity.

6.9 Best Value

None

7 Appendices to the Report**Previous Consideration**

None

Background Papers

DCLG Guidance: Promoting mobility through mutual exchange: realising the potential