

M&G Affordable Living RP Limited (“MAL”)

Mutual Exchange Policy

Landlord: MAL Affordable Living RP Limited “MAL”

Version: MAL 1.0

Created: February 2026

Review: February 2028

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1. Our policy statement.

- 1.1 We recognise that people move for many reasons, such as their current home being too large or too small or wanting to move to a new location. A mutual exchange (MEX) works as an alternative for tenants to access home outside of the normal allocation process.

2. Policy

This policy sets out our approach to granting MEXs to promote choice and mobility for tenants and make best use of our stock in meeting housing need.

Our managing agent’s will subscribe to an internet-based MEX service which allows tenants to register their interest in a MEX and find suitable exchange properties. Our managing agent’s will publicise the availability of this service online and through tenant publications. Our managing agent’s will provide reasonable support to tenants who do not have access to the internet, including advice and signposting.

3. Key terms and definitions

A **mutual exchange** is where two or more social housing tenants swap homes by exchanging tenancies with each other. Mutual exchanges can take place between tenants of the same or different landlords but can only be carried out where both landlords give written consent to the exchange. Tenants take on the full rights and obligations of their 'new' tenancy, including the rent. Not all tenants are eligible for mutual exchange and there are certain circumstances in which a landlord may refuse an exchange.

Assignment is the transfer of a tenancy from one person to another. When a tenancy is assigned, the rights and responsibilities of the tenancy are transferred from the original tenant to the new tenant. If a tenancy is assigned during a mutual exchange, the tenants take on each other's tenancies.

4. Our Approach

We (through our managing agent) will consider applications for mutual exchange between our tenants or with tenants of another social housing provider. Exchanges can be two way or may involve multiple swaps in a chain. There are no limits to the number of times a tenant may exchange, and tenants can apply to exchange again at any time after swapping homes.

All prospective tenants via the mutual exchange process will be subject to the same verification checks as other new tenants.

Through our managing agent’s, we advise our tenants they must not give or receive money or any other incentive as part of an exchange and that we can take possession action if they do so.

We do not pay an incentive for downsizing for those exchanging to a smaller home or provide a removal expenses allowance.

5. Who can exchange – qualifying tenants

Tenants qualify for mutual exchanges if their tenancy gives them a statutory or contractual right to exchange. The right to assign a tenancy is given to secure tenants by statute and to assured tenants by contract, but only for the purposes of an exchange. This includes tenants on an:

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- Assured tenancy.
- Secure tenancy.
- Assured shorthold fixed term tenancy of two years or more (social or affordable rent).¹

Tenants on the above tenancies have a statutory or contractual right to exchange with another secure or assured tenant, whose landlord is:

- A local authority.
- A registered housing association or housing trust.

6. Who cannot exchange – non-qualifying tenants

Tenants will not qualify for a mutual exchange if they do not have a statutory or contractual right to exchange. This includes tenants on a:

- Starter tenancy.
- Intermediate market rent tenancy.
- Periodic assured shorthold tenancy.¹
- Fixed term assured shorthold tenancy where the initial fixed term was less than two years.¹
- Licence agreement.

In addition to above, market rent tenants, shared owners, leaseholders or freeholders are not eligible for mutual exchange.

7. Grounds for withholding our consent to an exchange (we or our managing agents)

- Written consent must be provided by both landlords for an exchange to be completed.
- We may rely on any of the statutory grounds stated in schedule 3 of the Housing Act 1985 to refuse an exchange for tenants that hold a periodic secure tenancy. Where our tenant holds secure tenancy, we will usually make it a condition of granting permission for the exchange that any arrears are paid before the exchange takes place. Under certain circumstances, such as where there may be domestic abuse, we may agree that arrears can be repaid after the exchange has taken place. This will be considered on a case-by-case basis.
- We may rely on any of the statutory grounds stated in schedule 14 of the Localism Act 2011 to refuse an exchange in cases where either tenants hold an assured tenancy or an assured shorthold fixed term tenancy of two years or more (social or affordable rent).
- We will withhold consent where the home requires major adaptations to meet the needs of the proposed incoming tenant or their household.
- We will refuse any exchange that would result in our property becoming under-occupied or over-occupied by more than one bedroom. We will not allow any overcrowding in one-bedroom properties. We will make it clear to tenants who move into a property smaller than that required that they must be sure that the property is suitable for their family’s long-term needs and that they should not expect to be able to transfer into a larger home in the foreseeable future, subject to any changes in circumstances.
- We will refuse an exchange where we have reason to believe that any tenant has offered or sought a financial incentive as a condition of the exchange.
- We will refuse an exchange where there are significant safeguarding concerns or members of the public are put at risk.

We may rely on any other reasonable grounds to withhold our consent where allowing the exchange would put us in breach of any covenant, restriction or planning obligation. This would apply in cases where the exchange would conflict with any relevant planning restrictions or the purpose for which the tenancy was initially granted.

Examples are where:

¹ Following the implementation of the Renters’ Rights Act 2025, from 1 May 2026, all assured shorthold tenancies will become assured periodic tenancies.

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- A local connection is required
- The incoming tenant must meet the necessary criteria by completion of a risk and needs assessment for age designated schemes
- Tenants must have specific support needs in order to meet the intended purpose of the housing.

Before deciding on whether to give or withhold consent, we will inspect the tenant’s property to check for any damage or breach of tenancy which could give grounds to refuse the application. We may grant consent on condition that any rent arrears are cleared, or any breach of tenancy is rectified. We will write to the tenant setting out the conditions.

If a tenant is eligible to exchange, i.e. there is a statutory or contractual right to exchange and is unhappy with any decision made under this policy they have the right to ask for it to be reviewed. They can do this by emailing (or posting) their reasons within 10 working days of being informed of the decision. We will then review the case and respond in line with our Complaints Policy.

8. Method of exchange and tenancies granted during an exchange

Mutual exchanges are carried out by assignment of tenancies. This is determined by the tenancy that each of the exchange partners have. Through our managing agent’s, we will always advise our tenants of the type of tenancy they will receive in the exchange when we approve their application.

We will grant tenants that have held an assured or secure tenancy (also known as a protected lifetime tenancy) since 12 April 2012, a tenancy with no less security when they move to one of our properties. This will not apply if they choose to move to a property that is let at an affordable rent. In these cases, we will grant them an assured tenancy set at an affordable rent.

We may offer tenants who, before the exchange, held a fixed term social or affordable rent assured shorthold tenancy and who are exchanging with one of our existing assured or secure tenants (tenant), a full assured tenancy.

Where an exchange takes place between two assured shorthold fixed term tenants, tenants moving into our property will be assigned (with deed) a new assured shorthold tenancy.

Where an exchange takes place between an assured shorthold fixed term tenant and an assured periodic or secure tenant, the exchange will be by way of surrender and re-grant. This means that each tenant will surrender their existing tenancy and be granted the new appropriate tenancy. In all other cases, the exchange will take place by way of assignment.

The right to exchange by assignment can be enforced against the landlord by the tenant. One landlord cannot enforce the right against another landlord. If the other landlord refuses to assign the tenancy without good reason, we have no direct recourse.

9. Review: Quality monitoring, feedback and reporting

- Through our managing agents, we will aim to seek feedback from our tenants when they move out of their home, about the reasons for leaving and about the services we have provided during their tenancy.
- Our managing agents routinely inspect all mutual exchange properties, prior to the exchange taking place.
- Our managing agents will contact the new tenants within the first 14 days of them moving in, to check that all services have been properly reconnected and that they are familiar with the location and operation of key features (such as stop taps, heating controls and consumer units) and to give them an opportunity to discuss any issues.
- Our managing agents will gather feedback from our new tenants about their satisfaction with the property, typically within the first 3 months of their tenancy and through settling in visits.
- Our managing agents will regularly seek and review feedback and engage/consult our tenants about the services we offer via various other methods and forums – which will also be used to help us to improve our standards, services and general offering.
- We will undertake an annual program of tenant satisfaction surveys, in line with the regulator’s Tenant Satisfaction Measures (TSM) and review all relevant tenant complaints to identify any potential trends in service failures.

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- All of the above will help us continue to identify opportunities to improve the services we provide and to ensure we are getting value for money from our property managers and contractors.
- We hold regular meetings to discuss performance in general and against KPI’s (key performance indicators). Operational performance summary reports are also produced and issued to senior management and our Board, on an at least quarterly basis.

10. Key Legislation (but not limited to):

- Housing Act 1985
- Housing Act 2004
- Localism Act 2011
- Regulatory Framework for Social Housing in England (Tenancy Standard)
- Renters Reform Act 2025

11. Policy review.

We will review this policy at least every two years to make sure it remains relevant and accurate, or more frequently where:

- Legislation, regulation or industry changes require otherwise, making sure that it continues to meet our aims and industry best practice.
- We identify any problems or failures in this policy or procedure as a result of customer, colleague or stakeholder feedback, complaints, or findings from an independent organisation.
- We become aware of any circumstances which may affect the content of this policy.

12. Version Control

Version	Checked by	Amendments	Date of Approval	Review date
V1.0	Director Fund Management	Policy adoption.	Feb. 2026	Feb. 2028

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Appendix 1 – Responsibilities:

Managing Agent*

- Our managing agent / MAL will subscribe to an internet-based mutual exchange service which allows tenants to register their interest in a mutual exchange and find suitable exchange properties. We* will publicise the availability of this service on online and through tenant publications.
- Our managing agent will give notice of our decision to approve or decline an application to exchange within 42 calendar days of receiving a completed application. Reasons for not giving consent are set out in legislation, as is the 42-day requirement. Our* decision will be given in writing and will state the reasons for withholding consent where an application is declined.
- Our managing agent will ensure our property has valid gas and electrical certificates before approving the exchange and will arrange for the necessary checks to obtain them. We* will not allow the mutual exchange to proceed until any required works have been completed and the valid gas and electrical certificates are obtained.
- Our managing agent will inspect the condition of the property to identify any repairs that may be needed and any damage or alterations that have been made. We* notify both the outgoing and incoming tenants of any repairs that they will be responsible for or that need to be carried out after the move takes place.
- Our managing agent will maintain responsibility for any landlord repair obligations, and will complete any repairs that are our responsibility when they are reported to us*, before the exchange takes place, unless the repairs can be carried out once the new tenant has moved in.
- Our managing agent will require the outgoing tenant to repair any damage, neglect or alterations that they, their household or their visitors have made to the property and to complete any repairs that we* consider to be their responsibility. These should be completed before the exchange.
- Our managing agent may carry out repairs that are not our responsibility in exceptional circumstances – for example, where there is a health and safety risk – and will recharge the outgoing tenant for all costs of the work carried out.
- Following a mutual exchange, we* will continue to meet all our repair and maintenance obligations for the property in line with the law and the tenancy agreement.

Tenant Responsibilities

- Tenants are responsible for finding an exchange partner, and for making an application to our managing agents when they have found someone they want to exchange with.
- Incoming tenants agree to accept the condition of the property to which they are exchanging. They are responsible for their own inspection of the property prior to the exchange, and for making any agreements or arrangements regarding the condition of the property with the outgoing tenants.
- Following the exchange, incoming tenant will assume responsibility for any damage or alterations made to the property by the outgoing tenant and for all repairs that our managing agents consider to be tenant responsibility that were not completed by the outgoing tenant. This includes internal decoration, or minor repairs needed, cleaning and refuse disposal.
- Tenants must not move until they have received written confirmation from each landlord and signed the necessary paperwork to complete the exchange. If tenants move without our consent and without signing the required legal documents, our managing agents will treat the occupants as unauthorised occupiers and may seek possession of our property.
- Once an exchange is approved, both tenants must give our managing agents seven days’ notice of the preferred exchange date to allow time to prepare the necessary document.
- Incoming and outgoing tenants are responsible for taking meter readings and notifying energy suppliers of change of tenants.
- Tenants are responsible for providing instructions to the incoming tenants for any appliances or services in the property.