



Mutual Exchange Policy

Published October 2025

Review date September 2028

1. Aim of policy

This policy outlines our approach to Mutual Exchange. We support and enable customers who wish to exchange their home with another social housing tenants, where their tenancy agreement allows. To assist with and make this easier, we offer free access to the national mutual exchange service, HomeSwapper.

2. Scope of policy

This policy aims to:

- provide clear information on the requirements for a mutual exchange
- outline which tenancy agreements have the right to exchange
- ensure customers understand the process and the consequences of moving
- set out clear guidance on the legal requirements
- set out the grounds for refusing an exchange
- provide a clear appeals process

3. Policy statement

Mutual exchange provides social housing customers with a solution to finding their ideal home with fewer restrictions than housing register waiting lists.

Local authorities often have strict criteria to join the housing register and customers can face lengthy waiting times. Mutual exchange offers the flexibility for customers to broaden their options to where they can live and the property type available to them.

We encourage our customers to consider this option to move and will provide the necessary information, support and advice so they can do this easily and successfully.

4. Requesting to exchange a property

Suitable exchange partners

Customers who are eligible to exchange can do so with the following:

- another eligible VIVID customer
- an eligible customer of another registered non-profit social housing provider (housing association)
- a customer of a local authority or Arms-Length Management Organisation (ALMO)

Customers can only exchange with other social housing customers and cannot exchange with

customers in the private rented sector.

To take part in a mutual exchange, it's up to each customer to find a suitable exchange partner. To support this, we offer free access to the national online service, HomeSwapper, which helps connect people looking to swap homes. If customers need any help accessing or using HomeSwapper we will provide support in line with our reasonable adjustments policy.

We aim to be flexible with the size of home customers can move into through a mutual exchange. Where financial circumstances allow, we're happy to approve one extra bedroom, in line with the guidance shown in Appendix 1.

Right to Exchange

The rules around mutual exchange can be quite complex, and customers' right to exchange depends on the type of tenancy customers hold. We're here to help guide customers through the process and explain what applies to their specific situation. The below tenure types have the right to exchange under different clauses.

Secure tenancies

If customers are a secure tenant, they have the legal right to exchange their home under Section 92 of the Housing Act 1985. In some cases, if their tenancy began before 1 April 2012 and they're swapping with someone who has a fixed-term tenancy, they may be offered a new tenancy to make sure they keep their long-term security.

Assured (non-shorthold) tenancies

Assured tenants don't have a legal right to exchange their home, but in most cases, this is allowed as part of their tenancy agreement. If a tenancy includes a probationary period, customers will be able to exchange once that period has been successfully completed. In some cases, if their tenancy started before 1 April 2012 and they're swapping with someone who has a fixed-term tenancy, they may be offered a new tenancy to help maintain their long-term housing security.

Protected Assured tenancies

With a protected assured tenancy, the tenancy agreement and the original transfer agreement usually give customers the right to exchange their home. In some cases, if the tenancy began before 1 April 2012 and they're swapping with someone who has a fixed-term tenancy, customers may be offered a new tenancy to help maintain their long-term housing security.

Fixed term tenancies

If customers have a fixed-term tenancy, they can exchange their home once any probationary period has been successfully completed. Depending on the type of tenancy the exchange partner has, the move may happen either by transferring the current tenancy or by ending it and starting a new one. We'll guide customers through whichever process applies.

The following tenancies do not have any right to exchange:

- Tenancies in a probationary period including any extension period – they can exchange once the probationary period has been successfully completed

- Assured Shorthold Tenancies (periodic) – this will include customers in our market rented, temporary accommodation and residential leasing homes
- Non assured/contractual tenancies
- Temporary (decant) tenancies
- Licensees
- Leaseholders
- Shared Owners

Localism Act Exchanges – protection for ‘lifetime’ tenants

In most cases, a mutual exchange means each tenant takes over the other's tenancy, including its terms, rent level, and type of agreement (this is called an assignment). However, if customers hold a secure or assured tenant with a 'lifetime' tenancy that began before 1 April 2012, and they're-exchanging with someone who has a fixed-term tenancy at a social rent, special rules apply. To protect the long-term tenancy rights, both parties will surrender their current tenancies and be granted new ones—ensuring both parties keep their secure status.

This is so the existing lifetime tenant will still have a ‘lifetime’ tenancy following the exchange. In these circumstances we will offer both customers an assured (lifetime) tenancy.

In some cases, we may offer a new assured tenancy instead of completing the exchange through assignment, if we believe it's the most suitable option. This approach gives customers more rights and protections.

Customers can find a clear summary of their legal rights around tenancy exchanges in the table shown in Appendix 2.

Grounds (reasons) for Refusal

We're committed to supporting mutual exchanges and will not unreasonably withhold permission. However, there are three different sets of legal grounds that may apply when considering an exchange request. The specific set depends on the individual type of tenancy and whether the exchange falls under the Localism Act. These grounds are designed to ensure fairness and suitability, and we'll always explain which apply to each customer's situation:

- Schedule 3 of the 1985 Housing Act
- Schedule 14 of the Localism Act 2011
- VIVID policy grounds (Appendix X)

We have included a full list of the reasons a mutual exchange maybe refused in the appendices of this policy, clearly grouped by tenancy type. We will take into consideration any known vulnerabilities when deciding to refuse an exchange.

Approval of Application

Once we've received all applications for a mutual exchange, we'll write to our customers with a decision within 42 days. If we don't respond within that timeframe, we won't be able to rely on the legal grounds for refusing the exchange.

If we don't provide a written decision within 42 days of receiving all the exchange applications,

customers will be directed to raise a formal complaint so we can resolve the issue and ensure everything is handled properly. The decision we send may include one of the following outcomes:

- refuse the exchange
- approve the exchange, or
- approve the exchange with conditions

Conditions could include things like completing any necessary repairs or settling outstanding payments. We'll always explain clearly what's needed and support customers through the process.

To approve a mutual exchange, we need access to carry out important safety checks—such as gas and electrical inspections, and an Energy Performance Certificate assessment (if not in date). It's essential that access is provided for these appointments. If we're unable to gain access after more than one attempt, we may need to cancel the exchange. Please note that we reserve the right to charge for missed appointments.

To keep your mutual exchange moving forward, it's important to respond to any requests from us within a week. If we don't hear back, we'll assume they no longer wish to continue and the exchange will be cancelled. Customers are welcome to reapply at any time and each application will be considered on a case by case basis.

If customers are exchanging with someone from another landlord, we'll need to receive a suitable reference from their landlord before we can approve the exchange. This helps us make sure everything is in place and the property is a suitable move. The date for a mutual exchange move will need to be agreed by everyone involved. Once the exchange is approved, we usually ask for at least 10 working days before the move to allow time for essential safety checks to be arranged. These checks—such as gas and electrical inspections—must be carried out on the day of the exchange. If we're unable to access the property, the exchange won't go ahead. If any checks fail, we may need to reschedule the sign-up and tenancy start date. Please note that we may charge for missed appointments. If customers are swapping homes with another landlord they may only allow tenancies to start on a Monday meaning the move would take place on a Monday so we can carry out the necessary safety checks. We will offer flexibility on this policy on a case by case basis if there are vulnerabilities which need to be taken into consideration.

When a mutual exchange takes place, we'll ask for four weeks' rent in advance if customers are moving into a VIVID property. If customers are unable to pay the full amount, a reduced payment of at least two weeks may be considered—but this will need approval from our Lettings or Income Manager. In some cases we may agree to an exchange with an agreement to pay rent arrears over period of time and not prior to a move, however this will need approval from a Lettings Manager or Income Manager and only agreed in exceptional circumstances.

To complete a mutual exchange, we'll need to see valid ID for everyone in the household aged 18 or over, this is a legal requirement under the Right to Rent Act 2016. For children under 18, we'll ask for proof of child benefit to confirm their details. This helps us make sure all household information is accurate and up to date and meets the needs of the property.

Unauthorised Mutual Exchange

A Mutual exchange can only take place with our written approval and on the agreed date. If a move happens without this, we'll treat the occupants as unauthorised and ask them to return to their original homes within 7 days to avoid formal action. If they return within that time, we'll continue to consider the exchange application.

Disclosure of Information

When we provide a reference to another landlord as part of a mutual exchange, we'll include relevant information such as any known criminal activity linked to the property, child protection concerns, and any antisocial behaviour or tenancy breaches from the past two years—or longer, if requested. This applies to all household members and regular visitors. By submitting an exchange application, customers are giving us consent to share this information as part of the process.

Right to repairs

Incoming customers have the same rights to repairs for anything that's the landlord's responsibility. However, any repairs that were the responsibility of the outgoing tenant will now be passed on to the new tenant, as the property is accepted 'as seen'. We strongly recommend inspecting the home before agreeing to the exchange, and discussing with the exchanging party what items will be left and what condition they're in.

During our safety inspections, we'll check for any health and safety concerns. If anything is identified, we'll carry out further checks and keep customers informed. Please note, if the property is left in poor condition and we need to carry out repairs, we may recharge the outgoing tenant for the cost of the work.

Board members and employees

If a property is being let to a VIVID employee, Board member, or someone closely connected to them, we'll make sure the process follows our Code of Conduct and the rules set out in Schedule One of the Housing Act 1996. This ensures every application is treated fairly, with no special treatment given.

5. Statutory requirements

- Housing Acts 1980, 1985, 1988, 1996 & 2004
- Homelessness Act 2002
- Housing Planning Act 1986
- S106 of the Town & Country Planning Act 1990
- Localism Act 2011
- Data Protection Act 2018 and General data Protection Regulations 2016
- Immigration Act 2014

6. Related policies and procedures

- Lettings Policy
- Tenancy Policy
- Rent Policy
- Income Recovery Policy
- Complaints Policy

- Compensation Policy
- Appeals procedure
- Anti-Social Behaviour Policy
- Housing Management Policy
- Data Protection Policy
- Management Moves Procedure
- Standing orders

7. Monitor and review process

We'll monitor the performance of our mutual exchange service by:

- Monthly reports to check for compliance to the 42 days deadline.
- Periodic reports to the customer operations leadership team to assess volumes
- and overall performance.

This policy will be approved by the Directors Group and will be reviewed at least every 3 years.

8. References and appendices

Appendices 1 - Bedroom entitlement for social and affordable rent

Appendix 2 – Mutual exchange table

Appendix 3,4 and 5 - Grounds for refusal

Policy Author	Hayley Millington, Lettings Manager
Policy Owner	Robyn Collins, Head of Operations
Approved by	Directors Group
Approved Date	October 2025
Published Date	October 2025
Review Date	September 2028

Appendix 1 - Bedroom entitlement for social and affordable rent

The Department of Works and Pensions criteria allows one bedroom (regardless of size) for each of the following:

- Adult couple
- Any other adult (aged 16 or over and including carers)
- Two children of the same sex under the age of 16
- Two children under 10 regardless of sex
- Any other child (other than a child whose main home is elsewhere)
- A disabled child who may be allowed their own bedroom in accordance with the local authority housing benefit criteria.

(Foster and adopted children will be considered as part of the family where confirmation is received)

This table shows the size of property a household will be considered for:

Household circumstances	Studio	1 bed	2 bed	3 bed	4 bed	5 or more bed
Single applicant	ü	ü	Ü*			
Couple		ü	Ü*			
Two people not in a relationship			ü			
Parent/couple with 1 child or pregnant*			ü			
Parent/ couple with 1 child under 10 and pregnant			ü			
Parent/ couple with 2 children (eldest under 10 years)			ü			
Parent/ couple of 2 children of same sex (under age of 16)			ü	* ü		
Parent/ couple with 2 children of different sex (eldest 10 years or over)				ü		
Parent/ couple with 2 children and pregnant with third child*				ü	* ü**	
Parent/ couple with 3 children**				ü	** ü	
Parent/ couple with 4 or more children **				Ü**	Ü**	Ü*

* Customers may be able to move into a home with an extra bedroom, but it's important to be aware of the under-occupancy charge if they're claiming housing benefit now or might do so in the future. If this applies, they will be responsible for paying 14% of the rent. We'll make sure everyone understands how this could affect payments before the exchange goes ahead

** This is dependent on age of children and Local Housing Allowance (LHA) criteria will apply.

If customers are a separated parent who shares care of your children, they may have been allocated an extra bedroom to reflect this arrangement. However, it's important to be aware that benefit rules require one parent to be identified as the 'main carer'—this is the person who receives the additional benefit support. As a result, the other parent may be affected by the under-occupancy charge.

Under Occupying

There will be instances where we approve a letting outside of the Local Housing Allowance criteria. This will be at the discretion of the Lettings Manager.

Examples of when we may allow this are:

- a parent/couple with 2 children (same sex) and pregnant with 3rd child – LHA size criteria would consider household eligible for a 2-bedroom property, we may allow them to move in to a 3-bedroom property.
- a parent/couple with two children of the same sex (age 10 and 15) – LHA size criteria would consider household eligible for a 2-bedroom property, we may choose to allow them to move to a 3-bedroom property due to the eldest child soon turning 16 and qualifying for a separate bedroom.
- a property is hard to let
- When it is to the benefit of the business to move an under-occupying household to smaller accommodation to reduce their level of under-occupancy
- For mutual exchanges, we will allow 1 spare bedroom where there are no financial implications
- Where there are two separate households who intend to live together following the mutual exchange we will consider this on a case-by-case basis

In situations like this we must consider our customers' circumstances and how they'll afford their rent if they were to under occupy their home and be eligible for benefits.

We'll ensure any applicant is advised of the under-occupancy charge and how they will be affected prior to offering a home.

Appendix 2 Mutual Exchange table – legal entitlement

This table is designed to show customers the tenancy agreement they would be issued depending on their current tenure and the tenure of the household they are swapping with.

A= assignment

S = surrender and regrant

Note:

In most cases, tenants can exchange homes without affecting their tenancy type. However, if a secure or assured tenant (whose tenancy began before 1 April 2012) wishes to exchange with someone who has a flexible or fixed-term tenancy at a social rent, specific rules under the Localism Act 2011 apply. These rules are designed to protect long-standing tenants and may result in new tenancy agreements being issued. Please note that affordable rent fixed-term tenancies are excluded from these provisions, meaning the usual protections may not apply.

Tenants with affordable rent fixed-term assured shorthold tenancies do not have a statutory right to carry out a mutual exchange under Section 158 of the Localism Act 2011. In these cases, an exchange can only go ahead if both landlords give their permission. Additionally, these tenancies are excluded from the surrender and re-grant process under the 2012 Exclusion Regulations, meaning the tenancy type will not change as part of the exchange.

If customers are unsure on their tenure type and the impact of swapping with another household then we are here to offer support and advice.

Fixed term /flexible tenancy must have at least 2 years left to exchange

Tenant 1 pre exchange tenure	Tenant 2 pre exchange tenure	Tenant 1 post exchange tenure	After Tenant 2 post exchange tenure
Assured affordable	Assured/Secure social	Assured/secure of T2 at social rent	Assured/secure of T1 t affordable
Assured/secure social	Assured/secure social	Assured secure of T2 at social rent	Assured secure of T1 at social rent
Secure/Assured Commenced after 01.04.12	Fixed affordable/social rent	Fixed affordable/social with remaining term of T2's FT	Secure/Assured of T1
Secure /Assured commenced before 01.04.12	Fixed affordable rent	Fixed affordable with remaining term of T2's FT	Secure/Assured of T1 at the same rent T1 had
Secure/Assured Commenced before 01.04.12	Fixed social rent	Secure/Assured at social rent	FT or secure/assured at landlord's discretion

Appendix 3

Grounds for Refusal of Mutual Exchange by way of assignment under Schedule 3 of the Housing Act 1985; these can be applied to customers who have secure tenancies

Ground 1 – Possession Order outstanding

The tenant or the proposed incoming tenant has a current possession order or a suspended possession order.

Ground 2 – Possession proceedings outstanding or NOSP in force

There is a valid notice of seeking possession against the tenant or the proposed incoming tenant under Grounds 1 - 6 of Schedule 2 of the 1985 Act and Ground 84A of 1985 Act (and similar or/and equivalent grounds under Schedule 2 of the Housing Act 1988, namely grounds 7A, 8, 10, 11, 12, 13, 14, 14ZA, 14A, 15,17) or possession proceedings have begun against either party on one or more of those grounds.

Ground 2ZA – Possession proceedings or NOSP in force – absolute ground

There is a valid notice seeking possession against the tenant or proposed incoming tenant on ground 84A or possession proceedings have begun on that ground.

Ground 2A – In respect of the tenant, the proposed incoming tenant and/or household member

If any of the following injunctions or orders are in place or pending for the tenant, incoming tenant or household member of either party.

- injunction (e.g., Anti-social behaviour injunction)
- demotion order
- an anti-social behaviour order
- a possession order (included suspended order) granted on the grounds of nuisance conduct.

Ground 2B – Closure Notice or Order

If the property is subject to a closure notice or closure order under the Anti- social Behaviour, Crime and Policing Act 2014.

Ground 3 – Under-occupation

The accommodation is substantially more extensive than is reasonably required by the proposed incoming tenant.

Ground 4 - Suitability

The extent of the accommodation is not reasonably suitable for the needs of the incoming tenant and their family.

Ground 5 – Non-housing accommodation or employment

The dwelling forms part of, or is within the curtilage of, a building which is held mainly for non-housing purposes or is situated in a cemetery and was let to the tenant or his predecessor in connection with their employment with the landlord, or with a local authority, a new town corporation, housing action trust, Development Board for Rural Wales, or the governors of a grant-aided school.

Ground 6 – Conflict with charitable aim

The landlord is a charity and the proposed assignee's occupation would conflict with the objects of the charity.

Ground 7 – Accommodation designed for the disabled

The property is designed to make it suitable for a physically disabled person and if the exchange took place, no such person would be living in the property.

Ground 8 – Landlord is a specialist housing provider

The landlord is a housing association or housing trust which provides accommodation only for persons whose circumstances, (other than merely financial circumstances), make it especially difficult for them to satisfy their housing needs and if the exchange took place there would be no such person living in the dwelling.

Ground 9 – Properties designated for special needs e.g., sheltered or supported housing

The property is let to persons with special needs, and a social service or special facility is provided close by in order to assist the tenants - if the exchange took place there would be no person with special needs living in the property.

Ground 10 – Management Agreement

The dwelling is the subject of a management agreement where the manager is a housing association of which at least half the members are tenants subject to the agreement, at least half the tenants of the dwellings are members of the association, and also that the proposed incoming is not such a member nor is willing to become one.

Appendix 4

Grounds for refusal of a mutual exchange by way of surrender and granting of tenancies under Section 158, Schedule 14 of the Localism Act 2011:

Unless otherwise stated, the grounds for refusal are the same as those under Schedule 3 of the 1985 Act set out in Appendix 1 above.

Ground 1

Any rent lawfully due from a tenant under one of the existing tenancies has not been paid.

Ground 2

An obligation under one of the existing tenancies has been broken or not performed.

Ground 3 – Same as Schedule 3, ground 1

Ground 4 – same as Schedule 3, ground 2 for Secure tenants

Ground 5 – same as Schedule 3, ground 2 for Assured tenants

Ground 6 – same as Schedule 3, ground 2A

Ground 7 – same as Schedule 3, ground 3

Ground 8 – same as Schedule 3, ground 4

Ground 9 – same as Schedule 3, ground 5, except employment may also be with a development corporation or an urban development corporation.

Ground 10 – same as Schedule 3, ground 6

Ground 11 – same as Schedule 3, ground 7

Ground 12 – same as Schedule 3, ground 8

Ground 13 – same as Schedule 3, ground 9

Ground 14 – same as Schedule 3, ground 10

Appendix 5 - VIVID refusal reasons: specified grounds and conditions

The following grounds for refusal and conditions apply to any mutual exchange where neither Schedule 3 of the Housing Act 1985 nor Schedule 14 of the Localism Act 2011 are referred to in the tenancy agreements:

- a) If there are breaches of tenancy these must be remedied before the exchange is approved. E.g., outstanding arrears including rent arrears and/or recharges from a previous tenancy.
- b) Where the property is too large for the incoming customer and will result in under occupation – we will allow one spare bedroom so long as the property is affordable and meets our affordability criteria.
- c) Where the property is too small for the incoming customer and will result in overcrowding – see bedroom calculator at appendix 4 (unless bettering their current living situation, i.e; moving to a 3 bed from a 2 bed but still being overcrowded).
- d) The incoming tenant's landlord has not provided a satisfactory reference.
- e) The tenant or their household have known tenancy breaches or criminal activity which upon investigation with the appropriate agencies deem the exchange unsuitable.
- f) Where any conditions of planning agreements, covenants, head leases, Section 106 agreements that relate to the property would prohibit the incoming customer from moving to the property, for example where the housing is only to be provided for people with a local connection.
- g) Where the incoming customer cannot clearly demonstrate that they have a sufficient level of income to afford the rent. (e.g., as a result of either welfare benefit entitlement, or a general lack of income) unless they are an existing tenant, and the rent would be lower than their current rent.
- h) Where repairs are required that are the customers' responsibility, we will agree a deadline with the customer for completing the repairs. If they fail to make the repairs, we can refuse the exchange.
- i) If a property has significant adaptations and the incoming household does not require such a property e.g., the property has been purpose built for a disabled person or it has had structural changes or significant adaptations to fixtures and fittings e.g., it has level access or significant external ramping, it has wider doors and hallways for turning in a wheelchair, or it has an adapted kitchen suitable for wheelchair users or a level access shower/wet room. A single adaptation such as a level access shower may not prevent an exchange from taking place.
- j) Where money has been exchanged between partners to facilitate the exchange.
- k) Exceptional circumstances where it would not be reasonable to consent to the exchange (these decisions must be approved by a Head of Service or Director) such as where there are significant safeguarding concerns or members of the public are put at risk.
- l) If a customer has a preserved right to buy and exchanges with another VIVID customer, they may still have the preserved right to buy at their new home. If they exchange with an assured tenant of another housing association, then they will lose the preserved right to buy. If they exchange with a secure council tenant, then they may have the right to buy at their new home. The exchange partner will not have the right to buy unless they are an existing VIVID customer that already has the

preserved right to buy. If they exchange with a Sovereign tenant who also has the preserved right to buy, they will both retain that preserved right. This was a condition in the stock transfer agreement within Basingstoke and Deane BC area only.

- m) If a customer has previously exchanged as a VIVID customer and left that property in a poor condition and VIVID have had to complete works to rectify then we reserve the right to refuse the mutual exchange