



Your guide to a smooth tenant relationship.

















### Foreword

### housing hand

UK rental services provider Housing Hand has been working with landlords, renters and all stakeholders involved in the rental process for well over a decade.

The private rental sector in the UK has changed significantly in that time, influenced by everything from government policy to macroeconomic factors.

Ever at the forefront of rental sector dynamics and supporting seamless, equitable rental transactions, Housing Hand provides guarantor, house finder and depositless services, working with renters, landlords, agents, universities, purpose-built student accommodation providers and embassies.

With the proposed Renters' Rights Bill anticipated to deliver the biggest changes to the private rented sector in a generation, Housing Hand sought to gain a better understanding of renters' needs, to better support both tenants and landlords. This report represents the culmination of that process, delivering crucial details about today's renters to support the success of the entire sector.

LEARN MORE AT HOUSINGHAND.CO.UK →



# Welcome to our guide to everything you need to know about renters in 2025.

This report will arm you with the essential insight and advice to strengthen your relationships with tenants and to prevent problems by taking the right steps today. It will highlight the areas where education is most necessary and advise landlords, agencies and property managers on the best strategies to make sure tenants have the information and guidance they need to ensure a successful tenancy.

EXPLORE WHAT'S INSIDE  $\rightarrow$ 

### An introduction

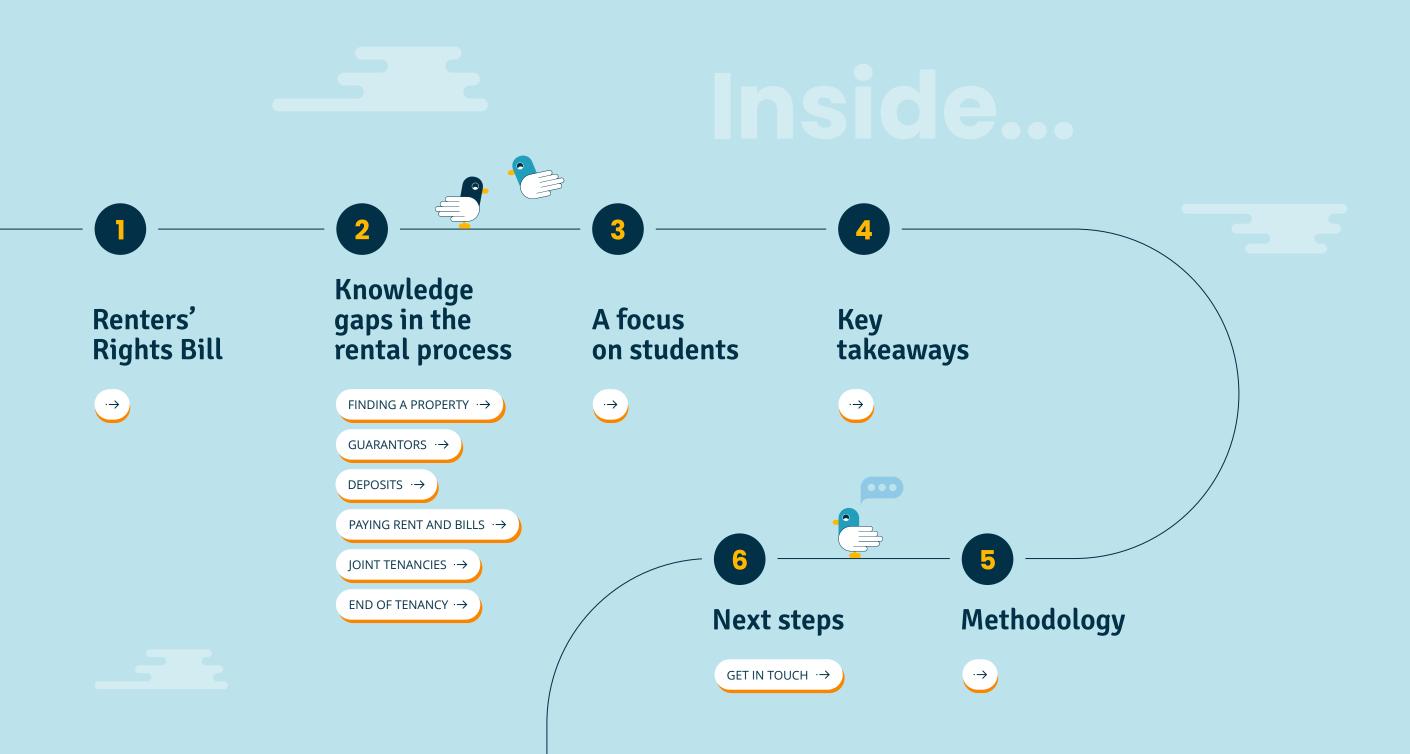
Our survey with around 1700 renters in the private rented sector, and smaller focus groups of students and working professionals, has highlighted some major gaps in renters' knowledge, across topics from guarantors and deposits to joint tenancies and utility bills.

Our research exposed a striking difference between how people feel about renting and their actual level of understanding. Renters are typically confident entering the rental process: 73% of those we surveyed consider themselves financially literate when it comes to renting. But when we delve further, it's clear that most of their knowledge comes from personal experience and they aren't as well prepared as they think.

A key topic of confusion is the proposed Renters' Rights Bill, due to be implemented by the end of this year. Most renters aren't aware of it, and even fewer understand how it'll affect them.

Since our sample is made up of renters who have engaged with Housing Hand, they're likely to be more aware of the rental process than average, suggesting these knowledge gaps could be even more significant across the wider UK population of renters.

We also found distinct differences between students and other renters, revealing some unexpected preferences and significant knowledge gaps. Therefore, we've included a chapter focusing particularly on students to reflect their unique needs.



**Renters' Rights Bill**  5

RENTERS' RIGHTS BILL

The UK rental sector different by the end of the Renters' Rights Bill, tenants and landlords.

The new regulations it would put in place are still in negotiation at the time of publication, but are likely to include ending Section 21 'no fault' evictions, introducing a new ombudsman to adjudicate disputes, and creating a database of private landlords to assure tenants of the landlord's legal compliance.

The Bill could also make it easier for tenants on benefits or with children or pets to find properties and end rental bidding wars above asking price.





of renters don't understand of renters **don't** understand how the Renters' Rights Bill may impact them.

I've heard about it. I don't know the exact provisions in place, but I've heard from people that apparently it gives more rights to people who are renting.

STUDENT IN BELEAST

Our survey found that most renters in the UK aren't aware of the Renters' Rights Bill. 31% have heard of it, and just 25% feel they understand how it might impact them. Awareness was consistently low across demographics, but slightly stronger among the over 40s (36% aware) and people renting directly from private landlords (35%), as opposed to via estate/letting agents or management agencies. Students (27%), and particularly international students (26%), were the group least aware of the proposed Bill.

In our focus groups, we found that certain aspects of the proposed Bill had cut through, especially to those who watch the news or have friends in the property industry. They knew it would mean the end of fixed term tenancies, and that it would

RENTERS' RIGHTS BILL

be easier to find a property that allows pets. There was confusion about how the Bill would affect joint tenancies, with concern that one tenant giving notice could end the tenancy for all, leaving tenants in shared homes in a precarious position.



Overall, sentiment from our focus groups was that the Renters' Rights Bill is a good thing for renters.

However, some participants worried that landlords would increase rent or sell off properties in response. One even shared the story of a friend who had already experienced this, as his landlord chose to sell up ahead of the impending changes. If this response is widespread, renters fear it could exacerbate existing issues with high rents in sought-after areas by reducing the number of properties on the rental market.

It's clear that awareness raising and myth busting will be necessary to make the transition to the new rental system as smooth as possible for landlords and tenants. So, whose responsibility is it to ensure tenants are properly informed? Our focus groups believe landlords and agents should inform tenants of the changes, but they questioned whether renters could trust them to give impartial information.

They said they would trust information from the government or local council, suggesting that landlords and agents could share links to such resources with tenants.

### ) TOP TI

Keeping up-to-date on the progress of the Bill and taking the initiative to inform tenants as soon as the new rules are finalised will improve trust and get ahead of potential issues before they arise.

Advising tenants on how the changes affect them will make for a smoother transition to the new rental system and make tenants feel safe and supported, ensuring a friendly relationship and reducing the likelihood of future disputes.

LEARN MORE ABOUT THE BILL ightarrow

First time renters rely so heavily on the information given from the landlords, but they're strangers, so you don't know if you can trust them or not.

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WORKING PROFESSIONAL IN STAFFORDSHIRE

# Knowledge gaps in the rental process

OWLEDGE GAPS IN THE RENTAL PROCES

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PAYING RENT AND BILLS	>	JOINT TENANCIES	5	→	END OF 1	renancy ·→

READ SECTION  $\downarrow$ 

knowledge gaps in dealing and most of their knowledge due to the amount of information available online.



Our focus groups named the gov.uk website as a trustworthy, valuable resource, but the information is so comprehensive that it can be hard to digest or navigate.

### I TOP TIP

A more ideal format would be an accessible, user-friendly handbook that they can refer to as and when a question or problem emerges. The information should be organised by stage of the process, so renters can focus on the relevant information in the moment.

Based on this insight, we've split this chapter into sub-sections reflecting the rental process, highlighting what renters need to know at each stage.



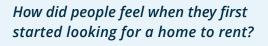
The gov.uk site is kind of good, but at the same time it has too much information and is very difficult for the normal person to read. Categorising information by different stages of rental in a simple handbook would make it easy for people.

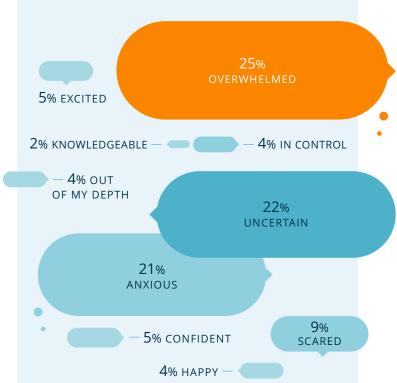
WORKING PROFESSIONAL IN LIVERPOOL



# Finding a property

The first step in the rental process is the part that renters find the most challenging, especially in today's competitive rental market. The most common emotions people feel when they start looking for a property, according to our survey, are overwhelmed, uncertain and anxious.





The concern is not just about finding a property they're happy with that meets their budget, but about being accepted by the landlord when they find it.

Focus group participants shared stories of running home after a viewing to submit an offer, and missing out on properties by being seconds too late. Therefore, they expect the search to be lengthy, which can be nerve-wracking when there's a deadline such as the end date of their current tenancy or a start date for a new job or university course.

The most common way to find a property, according to our survey, is via online portals like Rightmove. This is followed by word of mouth for working professionals, or student accommodation sites for students. Local high street letting agents are no longer front of mind, with only 6% of respondents saying this was how they found their current property.



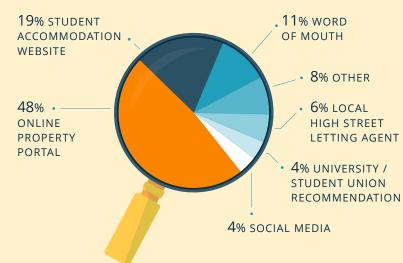


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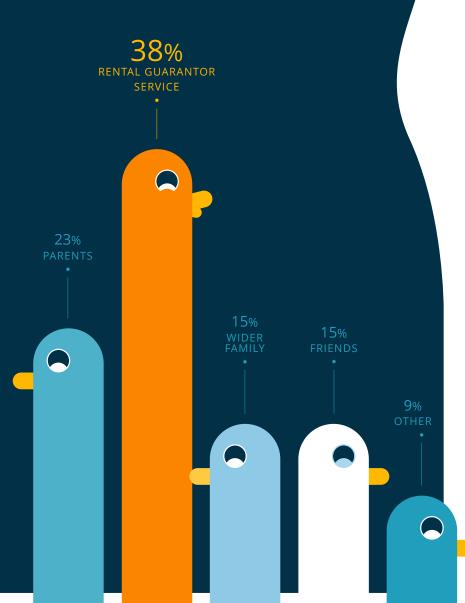
It's very exhausting going through houses, figuring out how far away they are, just sending hundreds of emails being like: Will you take my guarantor? Is it OK if we have a non-student or something? ...and just not getting a reply.

STUDENT IN BRISTOL

How did people find their current rental home?



# Who would you ask to be your guarantor?



# Guarantors



Once a renter finds a property, securing it can be a challenge for those who are required to provide a guarantor. While 94% of the Housing Hand applicants that we surveyed know what a guarantor is now, only 66% said they knew what it was before being asked to provide one, which means that people are often learning about guarantors at the point of needing one. This can risk delaying the start of the tenancy and leaving properties unoccupied, as they must find a guarantor at short notice.

### ) TOP TIP

It's important for renters to be made aware of the need for a guarantor, and types of guarantor, as early as possible.

**34%** of renters didn't know what a guarantor was before being asked to provide one.

Finding a UK-based guarantor can be difficult for some renters for a variety of reasons. In such cases, they may believe their only option is to find another property that doesn't ask for a guarantor. Therefore, it's useful for landlords and lettings agents to make potential tenants aware of guarantor services like Housing Hand, which will enable them to proceed with the rental, and give the landlord or agent peace of mind that rent will be covered. 28% of renters don't understand the difference between a personal guarantor and a guarantor service, so this is an area where extra guidance is valuable.

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I don't have family in the UK so I used Housing Hand. It was very easy and the process didn't take long, which was helpful as I needed to move quite last minute.

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In our survey, 38% of respondents said their preference would be to use a guarantor service, with 23% preferring to rely on parents, 15% friends and 15% wider family. This reflects a growing trend: as awareness of guarantor services spreads, renters are keen to embrace this option as it gives them greater independence and access to a wider range of rental properties.

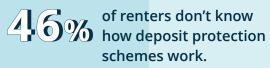
# KNOWLEDGE GAPS IN THE RENTAL PROCESS

### **Deposits**

Once the renter has their guarantor in place, the next step in securing a property is usually to pay the deposit.

We've found that there are major knowledge gaps related to this topic.

Most people expect to pay a deposit: 89% of renters whose current home required it were aware they'd need to pay a deposit before they were asked. However, 44% didn't know about deposit protection schemes like TDS, DPS or MyDeposits before they rented their current home.



### TOP TIP

Providing this information earlier in the process can give renters confidence that being asked for a deposit is legitimate and it won't be unfairly withheld, especially first-time renters or those who've had bad experiences in the past.

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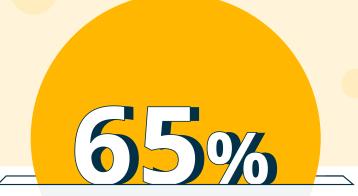
I don't know where I would have got the info about how deposits work before I started renting. I only found out about the Tenancy Deposit Scheme when my first landlord gave me the pack.

EDIE, WORKING PROFESSIONAL IN EAST ANGLIA

### ① TOP TIP

Another way that landlords can avoid potential tenants exiting the process when asked for a deposit is to inform them of depositless renting schemes, like the one Housing Hand offers.

Only 35% of our survey respondents were aware of the existence of such schemes, which enable renters to spread out the cost of the deposit during the length of their tenancy rather than paying it upfront, while ensuring the landlord still receives their payment on schedule.

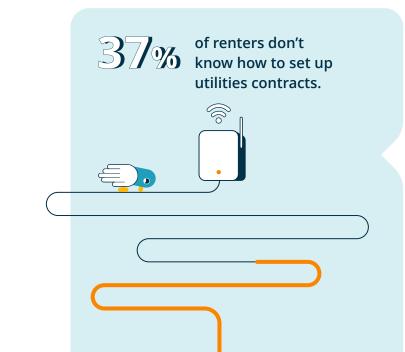


of renters aren't aware of depositless renting schemes.



# **Paying rent and bills**

Most people believe that they go into a rental agreement clear on what to expect: 83% say they fully understand the financial commitments they signed up to. However, in our focus group discussions we found that in practice, people are often surprised due to not reading or not properly understanding their tenancy agreement. This is particularly common when there's a language or cultural barrier. For example, one international student spoke of a friend who left a tenancy early and found themselves responsible for nine months' rent as they were unable to find someone to replace them.



Tenants are often unprepared when financial problems arise and lack awareness of the resources available to support them.

58% say they wouldn't know what to do if they couldn't pay rent, and 33% don't know what would happen if they paid late. People are more likely to ask parents, other family members or friends for help paying rent than their landlord or local council. While such circumstances are not ideal for the tenant or landlord, directing tenants to the support available can help to resolve the problem as quickly and civilly as possible.

When it comes to paying bills, renters are generally well educated and prepared. For example, 90% of people whose rent don't include bills set aside a budget for monthly housing expenditure, and 81% know how to set up a standing order or direct debit. However, some areas where a little extra guidance would be helpful include council tax (26% don't know there are exemptions available), utilities contracts (37% don't know how to set these up), and contents insurance (47% don't know this is the renter's responsibility). 66

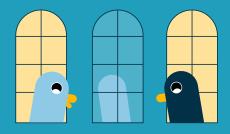
Having to negotiate the rent every single year makes the place not feel like home because you are worried that they will increase the rent above your pay, and you might have to move.

#### WORKING PROFESSIONAL IN LIVERPOOL

58% RENTERS WOULD

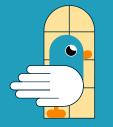
KNOW WHAT TO DO IF THEY COULDN'T PAY RENT







of those in shared households don't know what will happen if a housemate doesn't pay rent.





### **Joint tenancies**

Our research found that joint tenancies are a hotspot for confusion in the rental market.

Uncertainty begins with the different ways a shared household can be set up, with 22% of those living in a shared property unsure whether their tenancy agreement is on a joint or individual basis. Similarly, 31% don't know what the difference is between a joint and individual tenancy agreement.

**56%** don't know what happens if housemates want to move out at different times.

When it comes to day-to-day expenses in a shared house, 79% of people in this living situation say they find it easy to arrange splitting bills with housemates. There's more confusion in relation to paying rent and the end of the tenancy. Only 33% living in a shared property know what will happen if a housemate doesn't pay their rent, 58% know how to give notice on a joint tenancy, and 44% know what the process is if they want to leave at different times. These findings show that extra guidance is needed for people living in shared tenancies, particularly because this demographic tends to skew younger, and it brings up unusual circumstances which can be difficult to navigate when there are several parties with different needs and motivations.

### ① TOP T

Ensuring tenants in shared houses are clear on their rights and responsibilities will create a smoother relationship and happier household for all involved.

Directing tenants to Housing Hand's *Only My Share* service, which covers the extra rent if a housemate stops paying, can also help to give tenants and landlords peace of mind.

### THE ONLY MY SHARE SERVICE $\rightarrow$



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Getting the deposit back at the end was hard because I was jointly responsible with other tenants. I think I know the process now, but I'm very cautious about what's mentioned in the contract and what I'm liable for.

WORKING PROFESSIONAL IN LONDON

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# KNOWLEDGE GAPS IN THE RENTAL PROCESS

EXT STEPS | KEY TAKEAWAYS | FOCUS ON STUDENTS

# **End of tenancy**



When going into a rental agreement, the end of the tenancy is often the last thing on a renter's mind, which can lead to surprises or missteps when the time comes. 32% of renters said they don't fully understand what will happen at the end of their tenancy. The areas of most confusion are around giving notice, deposits and inventories.

**34%** of renters don't know how much notice they're supposed to give at the end of their tenancy.

#### D TOP TIP

This 'cross that bridge when I come to it' attitude can lead to tenants having unrealistic expectations of how quickly they can move out, so making sure they are clear on this at the beginning of the tenancy is helpful.

This will also be a key topic to keep tenants updated on when the proposed Renters' Rights Bill becomes law, as this would move most renters onto a rolling tenancy, impacting how much notice they would need to give. As mentioned earlier, education is needed around deposit protection schemes, and this extends to the end of the tenancy. 63% don't know how long it takes to get their deposit back through tenancy protection, and 37% don't fully understand how that process works.

When we asked our focus groups what advice they'd give to their younger selves about renting, a common response was to make their own inventory and take clear photos at the beginning and end of the tenancy.

Several participants had been caught up in disputes with landlords related to inventory and regretted not being more prepared. Our survey reflects this, with only 67% saying they knew what inventory checks were before renting their current home, and 33% not fully understanding the end of tenancy inspection process.



# of renters don't UNDERSTAND THE END OF TENANCY INSPECTION PROCESS

I've had to do a lot of fighting back and forth to get deposits back. In the end you come to an agreement, but I've definitely learnt lessons. You know, take all your own pictures, document everything.

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EDIE, WORKING PROFESSIONAL IN EAST ANGLIA

# A focus on students

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OCUS ON STUDENTS

RENTING PREFERENCES $\rightarrow$	GUARANTORS ·→	RENTAL FINANCES $\rightarrow$		
TENANCY AGREEMENTS $\cdot \rightarrow$	EDUCATING STUDENTS ABOUT RENTING $\cdot  ightarrow$			

READ SECTION 🧼

As anyone involved with the student housing sector will know, it has many unique challenges, and a tailored approach is needed when working with student tenants.

That's why it was important for us to take a deep dive into the responses from students in our qualitative and quantitative research, so that we can share more targeted guidance based on these learnings This section of the report highlights the key differences between students and other tenants, which are often exaggerated further with international students. It pinpoints the areas where students need extra support within the rental process and reveals some surprising differences that give more nuance to our understanding of the student rental market.

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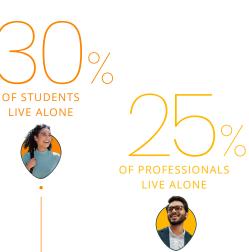
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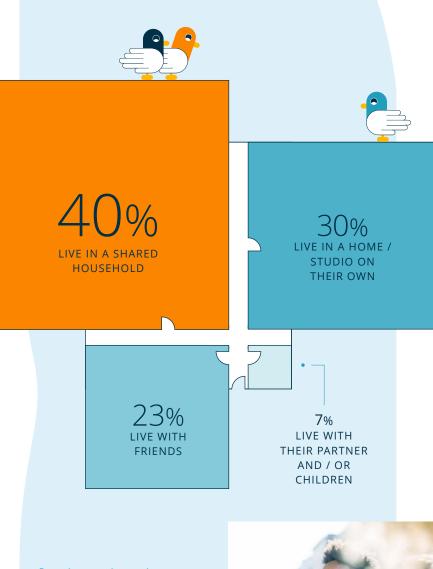
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# **Renting preferences**

Our research is a valuable reminder that students are not a monolith, and their living situations and rental experience vary widely.

For example, more students in the Housing Hand database are currently renting via an estate agent (39%) than from a provider of managed student accommodation (27%) or from the university directly (5%), and 21% rent directly from a private landlord, showing that most aren't having the stereotypical uni halls experience. They're twice as likely to live in a shared household than a working professional (40% vs. 20%), but you may be surprised to learn they're also more likely than professionals to live alone (30% vs. 25%) or rent a home with friends (23% vs. 11%).





Data shows students only.

# might realise is their payment preferences. Our survey found that 67% would prefer to pay their rent monthly, more than double the 29% who want to pay termly.

One way that students are more similar

to working professionals than the housing sector

Students in our focus group explained that it's easier to manage their budget when money goes out monthly rather than in one lump sum, though some said they were OK with termly payments simply because it's what they've got used to.

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Paying every three months

is very awkward because it's

quite a large sum and doesn't

line up with when my loan

comes in. I would prefer monthly.

ELLIE, STUDENT IN BRISTOL

### **Guarantors**

There are many topics where students are less educated than other tenants, but they're more clued up on guarantors than working professionals, as it's an established part of the rental process for students.

They're more likely to be aware of what a guarantor is – though 38% still didn't know before they were asked to provide one. They're also more likely than professionals to know the difference between a personal guarantor and a guarantor service (77% vs. 67%).

As our survey respondents are all applicants to Housing Hand, we can assume their knowledge about guarantors is higher than the national average, but nonetheless the greater awareness among students than professionals is remarkable.

As a younger demographic, students are more likely to ask parents to be their guarantor than professionals (29% vs. 17%) but using a rental guarantor service is still preferred overall. That's particularly the case for international students, who told us of the long searches they'd gone through to find a property that didn't require a UK-based guarantor – something that newcomers to the UK are rarely able to provide, regardless of the student's income or budget.

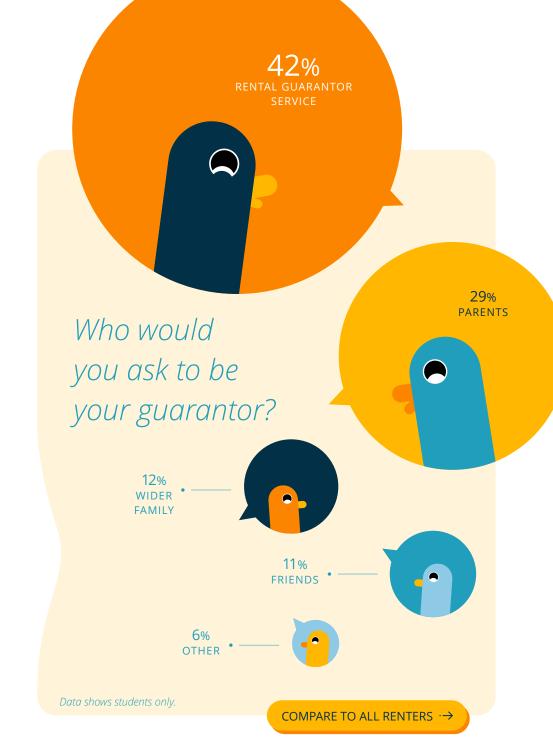
Without a UK guarantor, they were often asked for a full year's rent upfront or a deposit worth several months' rent, which will be made illegal by the proposed Renters' Rights Bill.

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I didn't have a UK guarantor, so I ended up paying the first two months' rent in advance. A lot of places were actually asking for the entire year's rent, which was not possible for me.

STUDENT IN BELFAST









### **Rental finances**

Students are more likely than working professionals to feel confident and excited when they begin searching for a property, and less likely to feel anxious or uncertain.

However, there are many aspects of renting that students are less aware of than other tenants that are particularly relevant to them. For example, they're less likely to know about depositless rental schemes (30% of students vs. 41% of professionals) and deposit protection schemes (47% vs. 67%), how long it'll take to get their deposit back (33% vs. 41%), and that a deposit would be required in general (79% vs. 92%), especially international students.

Students are also less aware than professionals of what will happen if they pay rent late (64% vs. 70%), again more common with international students. Setting up utility bills is another aspect of renting that students are unprepared for, and this is where we saw the most dramatic differences between them and other survey respondents. Only 47% of students know how to set up contracts for utilities, compared to 82% of professionals.

Similarly, they're less clear about setting up standing orders or direct debits: 72% of students know how to do this, and 92% of professionals.

They're also more likely to be caught out on contents insurance, with 47% knowing that this is the tenant's responsibility, compared to 61% of professionals.

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There's a bit in my rental contract that says bills are unlimited, but not if you go over a certain amount, like fair use. But they don't tell you what that amount is.

ELLIE, STUDENT IN BRISTOL

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When I lived in shared student accommodation, our agreements were individual and for different lengths. That was convenient as other people's leaving dates didn't affect mine.

STUDENT IN BELFAST

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# **Tenancy agreements**

Students may be more likely to live in shared housing, but their understanding of how joint tenancies work has room for improvement.

33% don't know if their tenancy agreement is on a joint or individual basis (vs. 22% of professionals), and 35% don't understand the difference between a joint or individual tenancy (vs. 26% of professionals).



of students don't know 33% of students don't know if their tenancy is on a joint or individual basis.

When it comes to the end of the tenancy, 33% of students say they don't fully understand what will happen.

They're also more than twice as likely as professionals (44% vs. 21%) to not know how much notice they need to give. And of those students who live with others, only half know how to give notice on their tenancy.

### **Educating students about renting**

The cause of these knowledge gaps seem to be deep rooted, as 82% of survey respondents (including students and working professionals) wish there had been more financial education in school.

Students said they typically get information on how to manage housing-related finances from family and websites, followed by friends and social media. Very few said they'd learned anything on the topic at school or university.

Where do students get their information on managing housing-related finances?

 37% FAMILY

 29% WEBSITES

 15% FRIENDS

 9% SOCIAL MEDIA

 8% UNIVERSITY

 2% SCHOOL

66 I felt like whenever I reached out to the university for any help, they didn't really show me the real picture. They told me publicly available information, but that's it.

STUDENT IN BELFAST

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### ① TOP TIP

A theme that's emerged throughout our research is that people's knowledge of the rental process has come primarily from personal experience.

Therefore, as students are often first-time renters, there's a need for the student property sector to step up and fill in the gaps, to ensure misunderstandings don't hamper the landlord-tenant relationship. This can be achieved by providing clear and simple information that's tailored to the specific needs and challenges of students, with emphasis on topics that are particularly relevant, such as guarantor services, depositless rental schemes and joint tenancies. Key takeaways 24

**EY TAKEAWAYS** 

Top tips to ensure a smooth and successful tenant relationship in the year ahead.

Raise awareness of the Renters' Rights Bill as soon as regulations are finalised to reassure tenants and dispel any myths or misunderstandings. Share information about the Bill from trustworthy neutral sources, such as the local council or government website.



Provide guidance about all aspects of renting to tenants in a digestible format, such as a handbook organised by stage of the rental process.



Inform renters of the need for a guarantor as early as possible, so finding one won't delay the start of the tenancy.



Point renters to guarantor services such as Housing Hand to avoid losing tenants that don't have a UK-based guarantor and ensure rent is securely covered. 6

Inform potential tenants of deposit protection and depositless rental schemes to give them confidence to proceed, especially first-time renters.

Offer guidance on setting up direct debits, utility bills, council tax and contents insurance, and make sure tenants are totally clear on which bills are their responsibility.



Make sure tenants in shared households understand what type of contract they're on, including the implications for how they give notice and what happens if a housemate leaves.



# **About Housing Hand**

Housing Hand is the UK's leading rent guarantor service, helping thousands of students and working professionals renting a home in the UK and Ireland.



### We partner with experts.

- Over 8,000 accommodation providers, including universities, landlords, embassies, letting agents and PBSA.
- With universities to support care-experienced and estranged students with access to safe accommodation.

### We help people rent homes.

- More than 80,000 students and professionals.
- Covered nearly £700,000,000 in rent arrears.
- Maintained a 100% payout record for all valid claims.

## Why partner with us?

### Limit your risk of default.

Our in-house, fully legally qualified and SRA regulated, collections team can mediate and liaise with the defaulting tenants on your behalf, reducing your overall costs and administration while dealing sensitively with recoveries.

### No costs.

There are no costs to you as our partner.

### Increase occupancy.

We provide a pool of creditworthy applicants, via our free House Finder service, increasing your chances of getting an occupant.

### Reduced price for tenants.

As a partner, we can provide you with a preferential rate to pass on to your potential tenants saving them money and reducing your risk.

housing hand

### Keeping tenants on track.

Our focus isn't just on rent guarantees, it's about providing a lifeline to tenants so they can overcome financial challenges and stay in their homes. It's a win-win for everyone involved.



# Ready to learn more?

### Get in touch: team@housinghand.co.uk +44 (0)207 205 2625

### Visit: housinghand.co.uk

Further reading:

HOUSINGHAND.CO.UK: RENTERS' RIGHTS BILL →

GOV.UK: RENTERS' RIGHTS BILL →

To learn more about partnering with Housing Hand, please book a call with our Business Development team.

SCHEDULE A CALL  $\rightarrow$ 

For any media enquiries, please contact: marketing@housinghand.co.uk

# **Methodology**

The insights in this report are based on a combination of quantitative and qualitative research conducted by Housing Hand in February 2025.

All data points included in the report come from a survey of nearly 1700 private renters. The respondents were made up of 764 working professionals and 932 current students, 661 of them being international students. Respondents were based in 226 locations around the UK and Ireland and originally hailed from 124 nations

Just under half of respondents (47%) were aged 16-25, with 38% aged 26-40, and the remaining 15% over 40. The most common form of renting was from an estate/letting agent (43%), followed by private landlord (30%), managed student accommodation (15%), managed apartment (4%), university halls (3%) or other (5%).

Qualitative insights and quotes featured in the report come from two focus groups: one made up of 4 students and the other of 5 working professionals. The focus groups were conducted remotely.

All survey respondents and focus group participants were sourced from a database of people who have applied for Housing Hand's services.









