How to navigate the UK rent guarantor conundrum

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1. Introduction

When people look for a home to rent in England, the landlord often asks for a rent guarantor[1] especially if the potential tenant is a student, new to the country, self-employed, unemployed[2], has a low credit score or lacks the usual means of confirming their identity[3]. They use a guarantor to reduce the risk of missed rent.

This paper investigates schemes that use government, commercial, community or tenant funds to provide a rent guarantor or similar service. We will describe the options available and consider how well each of these arrangements works for people on low incomes – unemployed people, care leavers, refugees, ex-offenders and others.

In the simplest option, a private individual acts as rent guarantor. They are usually a family member or friend who signs a contract with the landlord or letting agent and so agrees to cover unpaid rent (and sometimes damage) if the tenant defaults. Where landlords insist on a guarantor, people without wealthy relatives or friends willing to take on that liability are locked out. This is where formal guarantor schemes step in.

A variety of such schemes will be discussed in turn. In other reports, these schemes are variously described as a ‘guarantor scheme’ or ‘bond scheme’, with the terms used interchangeably, blurring the distinction between products which work quite differently. In this paper, an effort will be made to maintain precision and consistency in terminology. The options fall into two groups. The first helps with the upfront costs of renting, such as rent in advance and deposits; these can make a tenancy affordable, but none of them removes a landlord’s demand for a guarantor. The second group offers alternatives to a personal guarantor, in which an organisation or a group of people stands in for the family member or friend.

None of the schemes in this paper are explicitly matched to a specific group of citizens. The Guarantor Club has been built around a church congregation, the Refugee Deposit Scheme (RDS) is refugee-specific, and the institutional-guarantee/reserve-fund ideas are pitched generically. We do not yet know if a specific type of scheme is the best option for a particular group of citizens, or if one or more groups are entirely excluded.

2. Weaknesses of the present system

England has more than 25 million homes of which almost 5 million are privately rented[4] by around 2.3 million private landlords[5]. Demand outstrips supply in the rental housing market, driving prices beyond the reach of people on low income. In 2026, more landlords left the sector than entered it[6] and one estimate[7] suggested that 200,000 properties were moved out of the rental sector between the end of 2024 and 2026. The market is also consolidating. In June 2026, landlords bought more homes than they sold for the first time since 2019, and a record 23% of those purchases were previously-rented homes changing hands between landlords rather than leaving the sector[8]. Consolidation of the market increases the number of landlords with a large portfolio, which may in turn reduce the number of homes let through flexible, informal selection processes and so reduce access for vulnerable applicants.

Landlords often want to see six months’ payslips to prove earnings. Applicants who cannot offer this are either rejected out of hand or asked for a rent guarantor who is legally obliged to pay if the tenant does not. A recent survey of tenants found that more than one in five had been asked to provide a guarantor before moving into their current home[9], but no official count of the guarantors themselves has been published.

A guarantor cannot withdraw from the commitment on their own: they are released only if the landlord agrees or the tenancy ends[10] and recent changes in the law have exacerbated this problem. Since 1 May 2026, the Renters' Rights Act 2025 has turned assured tenancies into rolling periodic tenancies with no end date, so unless the guarantee says otherwise the guarantor remains liable for as long as the tenant stays, and can be pursued for up to six years after any breach[11]. In shared housing, joint tenants are usually 'jointly and severally liable' for the whole rent, and a guarantor's obligations normally mirror this. Unless the guarantee is expressly limited, a guarantor who agreed to support one sharer can therefore be pursued for arrears or damage caused by any of the joint tenants, including people they have never met. These arrangements are unacceptably risky for most potential guarantors.

This barrier is getting larger. Landlord requests for a guarantor rose by 36% over the four years to 2023, and tenants receiving housing benefit are around four times more likely to be rejected from a tenancy for lacking one[12]. Migrants are especially exposed, partly because they are so much more reliant on the private rented sector in the first place: roughly 80% of people resident in the UK for under five years live in private rented housing, compared with about 20% of the UK-born population[13]. A survey of 126 migrant renters in Greater London and the South East found that 42% struggled to find a landlord willing to rent to them at all and 40% could not afford the deposit[14]. Care leavers face the same barrier: without a family member able to stand as guarantor, one in three become homeless within two years of leaving care, and 40% cite insufficient savings for a deposit as the obstacle[15].

Qualitative research with low-income private renters in England and Scotland found that struggling to secure a guarantor was itself experienced as a form of discrimination and a source of anxiety, often overlapping with 'No DSS' advertising that excluded renters on Housing Benefit; some tenants said they concealed their receipt of state support to avoid being screened out[16]. The uncertainty a guarantor requirement adds to an already precarious search was captured by one 21-year-old renter, for whom it featured alongside rent and deposits as a recurring worry: 'I'm always thinking about where I'm going to live next, how I'm going to earn money for my next deposit, who's going to be my next guarantor and that kind of thing.'

Landlords are anxious about the uncertainties of renting too. The National Residential Landlords Association argues that a guarantor is a legitimate way of managing risk rather than an arbitrary barrier, and that restricting the tools landlords use to assess risk does not remove the underlying risk itself – landlords may simply decline harder-to-assess applicants outright instead[17]. In a survey it commissioned, 78% of landlords said they expected to become more selective in response to the Renters' Rights Act 2025[18].

3. Help with upfront costs

The options in this section help with the money a tenant must find at the start of a tenancy. They can make a tenancy affordable, but none of them removes a landlord's demand for a guarantor. Alternatives to a personal guarantor are discussed in the next section.

3a. Rent in advance

In the past, a tenant could pay several months' rent upfront, giving the landlord a period of stability if the tenant stopped paying rent and providing the paying tenant with some rent-free months at the end of the tenancy. The Renters' Rights Act 2025 has capped this payment at just one month's rent.

This reform may displace the problem rather than solving it. Limiting rent in advance could make landlords rely on guarantors even more heavily as the substitute safeguard, which would deepen rather than ease the barrier this paper is concerned with[19].

3b. Rent deposit

Under this arrangement, the tenant pays a deposit at the start of the tenancy, usually capped by law at five weeks' rent (six weeks' where the annual rent is £50,000 or more)[20]. The landlord or letting agent must protect it within 30 days in one of three government-approved tenancy deposit protection schemes: the Deposit Protection Service, mydeposits or the Tenancy Deposit Scheme[21]. These schemes work rather like escrow, an arrangement in which money is held by an independent third party rather than by either side, and released only when agreed conditions are met. In a 'custodial' scheme the scheme itself holds the cash; in an 'insured' scheme the landlord or agent keeps it, but the scheme guarantees its return and takes charge of it if there is a dispute. The landlord can claim against it for unpaid rent or damage, and any disagreement is settled by the scheme's free dispute resolution service. The deposit is returned to the tenant, in whole or in part, at the end of the tenancy if conditions are met.

The Refugee Deposit Scheme (RDS)[22] was a pilot project which ran for three years from August 2023. The aim was to provide 135 eligible refugees with a rental deposit drawn from a pot donated by the Tenancy Deposit Scheme.[23] The majority of deposits were to be recycled back into the scheme at the close of the tenancies, enabling more refugees to be assisted. Now the RDS project has closed, there is no national rental deposit scheme for refugees living in England.

3c. Deposit-replacement insurance

A cut-down version of the unlimited liability of the guarantor is for the landlord to ask for a deposit at the start of the tenancy. The conventional cash deposit is described in the section on rent deposits above; the main alternative, deposit-replacement insurance, is described below. These products are not without critics. Steve Harriott, chief executive of the traditional deposit scheme provider The Dispute Service, has argued that deposit-replacement schemes can cost tenants more over a long tenancy than a refundable cash deposit would, and that removing the returnable deposit weakens a tenant's incentive to look after the property[24]. The Competition and Markets Authority has also opened a review into the sector over concerns about how some of these schemes are sold.

Deposit-replacement insurance is a tenant-facing product where, instead of paying a deposit, the tenant pays a smaller non-refundable fee (commonly around a week's rent) to an insurer. It lowers the upfront cost of moving but is not a guarantee against rent arrears, and it does not usually remove the need for referencing checks or a guarantor. Insurance providers include Reposit[25], Flatfair[26] and Zero Deposit[27].

3d. Bond scheme

Some Councils and charities offer a bond scheme in place of a cash deposit. The bond is usually a written promise (a 'paper bond') rather than cash: the council or charity undertakes to pay the landlord up to an agreed sum, often around one month's rent, for damage found at the end of the tenancy. No money changes hands unless the landlord makes a claim. The bond typically covers only the first six to 24 months of the tenancy, and the tenant is encouraged to save during that time so they can offer a deposit of their own when it expires. If the landlord does claim, the council pays and then recovers the cost from the tenant, often in instalments[28]. A bond is therefore not a gift to the landlord: it is security that the council normally seeks to recover from the tenant, although in practice, as noted below, much of it is written off. A bond substitutes for the deposit rather than acting as an ongoing promise to cover rent arrears, so it is a different product from a guarantee scheme, even though the two are frequently discussed together (and sometimes offered by the same local scheme) because both remove an upfront cost barrier for the tenant.

The process is administratively complicated and insufficiently agile to support people effectively. Recipients commonly end up in the poorest quality of accommodation and in houses in multiple occupation (HMOs), while the council commonly writes off the funds it has offered, adding to the cost to the Exchequer and denying the tenant the dignity of self-sufficiency.

In England, funds for the scheme are obtained from the Homelessness Prevention Grant, the Household Support Fund, or a council-specific budget. The government's official homelessness statistics[29] record when a council "helps secure accommodation with a financial payment" — but that single category bundles deposit payments, guarantor arrangements, and rent guarantee schemes together.

3e. Landlord incentive payment

Some councils also pay landlords a one-off cash incentive to accept a tenant who is homeless or at risk of homelessness. For example, Milton Keynes City Council has offered landlords a cash incentive of up to £6,800 to house families who had been homeless[30].

3f. Charitable gift or loan

The Vicar's Relief Fund[31] offers a charitable donation towards the cost of rent to help homeless people acquire a tenancy. Conditions apply.

RefuAid[32] offers equal access loans at 0% interest for white goods, flooring, rent deposit and initial months' rent, alongside loans to help with family reunification and vocational re-accreditation. They consider loans to people across England of up to a maximum of £10,000 and the repayment terms are worked out with each applicant. By February 2025, they had made 670 loans worth in excess of £2.5m and their repayment rate was over 98%.

3g. Microfinance

Microfinance arrangements create a relationship-based solution where borrowers can see the merit of repaying a loan and so are less likely to default. This may work better than the grant-based approach adopted by some councils, in which the money is given away rather than recovered.

Microfinance organisations provide funds to people who would be unable to get credit from a traditional bank, and yet they achieve excellent repayment rates. For example, Lendwithcare[33] achieves 99% repayment, despite lending to entrepreneurs who live in unstable parts of the world. They offer a mechanism for donors to get their money back out of the system as and when they wish to, and so can encourage wealthier people to provide funds, since joining in need not cost them money.

3h. Saving and borrowing through a credit union

Credit Unions invite people to save with them and then offer loans to their members as required at low interest rates. Asylum seekers placed in UK hotels by the Home Office[34] receive less than £10 per week, so their potential for saving is extremely limited and the idea of loaning them six months' rent would make the savings/loan ratio untenable even for a Credit Union, one imagines. Since people must leave Home Office accommodation 28 days after being granted the Leave to Remain (56 days for pregnant women, people aged 65 or over, people with a disability, and families), the guarantor, loan or gift arrangements must be activated promptly and at exactly the right time. This is not merely a theoretical risk: a 2024 study of refugee move-on support in Oxford found that Universal Credit claims typically take around five weeks to be paid – longer than the entire move-on window – and recommended extending the standard move-on period from 28 to at least 56 days to close this gap[35].

4. Alternatives to a personal guarantor

In each option in this section, an organisation or a group of people stands in for the family member or friend who would otherwise act as guarantor. In an institutional guarantor or rent guarantee scheme, a council, charity, university or specialist company stands as guarantor in place of an individual, usually for a fee, as part of a homelessness-prevention service, or as a form of student support. Legally it works much like a personal guarantee – the organisation agrees to cover arrears up to an agreed limit. The Guarantor Club, the time-limited institutional guarantee and the inter-agency reserve fund, discussed below, are all variations on this idea, presented roughly in order of increasing complexity.

4a. Commercial guarantor

A commercial organisation can act as guarantor and then recover the money from the tenant, along with the fee they charge for the service. Examples include Housing Hand[36], RentGuarantor[37] and UK Guarantor[38], which typically charge in the region of £250 a year or £36 a month. Shelter[39] identifies these commercial guarantor companies and council or charity rent guarantee schemes as the two established alternatives to a personal guarantor.

4b. Council and charity rent guarantee schemes

Some councils and charities act as guarantor themselves, often for a particular group such as care leavers, and meet any claims from their own budgets. Barking & Dagenham Council ran a 12-month pilot capped at 10 young people aged 18-25[40]. Barnardo's reports that Kent's scheme, launched in 2018, achieved a 0% default rate on 79 guaranteed tenancies through close partnership between the council, care leavers and landlords. Barnardo's has since called for this to become a mandatory national scheme for all care leavers aged 18–24, estimating a one-off setup cost of £30 million and annual running costs of £6.4 million – a modest outlay set against the £6.5 billion a year that youth homelessness is estimated to cost the UK state[41].

4c. Tenant default insurance purchased by the landlord

Landlords can buy rent-guarantee insurance[42] (roughly £100–£300 a tenancy per year) to protect themselves against loss of income from the tenant, which removes their need for a guarantor at all. However, it is the landlord's choice whether to buy it, and it sits alongside rather than instead of referencing checks, so it does little to help a tenant who is being asked for a guarantor get past that requirement.

4d. Guarantor Club

A member has proposed the formation of a guarantor cohort at St Nic's church, Nottingham. Such a guarantor cohort would be made up of ten people who would share financial liabilities, with one member fulfilling the legal requirements as the formal guarantor. The formal guarantor would typically be required to co-sign the tenancy agreement, commit to cover rent defaults if they occur and provide proof of identity, financial evidence of income sufficient to cover the rent, residency details and consent to credit checks. If the tenant defaults, then each member of the guarantor cohort would pay one tenth of the rent each month through the formal guarantor until the tenant resumes payment or leaves the property.

The strong relationships between the members of the cohort, and with the beneficiary, who would also be an established and trusted member of the church, would underpin and stabilise these arrangements, while church staff would oversee the management of the funds and the selection of the beneficiary. Any member of the guarantor cohort who wishes to leave the scheme would be expected to find their replacement. The scheme could grow by finding another ten people willing to form a guarantor cohort and adopting a second beneficiary. The problems with this approach include:

- If the tenant defaults, the cohort loses its funds.
- There is no standard mechanism to escape from the guarantor arrangement, so in the event of a default on rent payments, neither tenant nor landlord has any incentive to bring the matter to a head and shut down the tenancy.
- A member of the guarantor cohort may leave, but only by finding a replacement. This would be especially arduous if the member wishes to leave because they have lost money.

A potential solution here would be for the guarantor to draft the formal guarantor document and include a cut-off process. This would work if the resulting document were compliant with the law and acceptable to landlords. An acceptable example has not yet been found.

The closest evaluated precedent for a peer-based housing model is Commonweal Housing[43]'s Peer Landlord pilot (2012–2018), in which one tenant in a shared house took on a light-touch coordinating role for the household. It was not a guarantor scheme, but its evaluation (44 bed spaces across 13 London properties) found positive outcomes on tenancy stability and engagement with employment, education and training, and may be worth reviewing for lessons on how peer arrangements are best supported and managed.

4e. Time-limited institutional guarantee

Another possible solution is to replace the individual guarantor with a time-limited institutional guarantee, provided by a credit union, charity, or dedicated guarantee fund, which automatically expires after a defined period such as 12 months, and so limits the guarantor's exposure to that period. In this way, the guarantor serves as a temporary bridge while the tenant establishes employment, financial history, and a track record within the rental system. Once that stability is in place, the guarantee would naturally fall away. Offering a time-limited institutional guarantee was proposed above in the Guarantor Club model as a solution to the problem that there is no standard mechanism for a guarantor to exit the arrangement.

A working precedent for a genuinely institutional, time-limited guarantee already exists in the university sector: LSE[44], the University of Edinburgh[45], LSHTM[46] and the University of York[47] each act as guarantor in their own right (rather than referring students to a commercial provider), typically for a flat administration fee and capped to the length of the tenancy. This suggests the credit union or charity model proposed above is operationally achievable, not just theoretical.

Two objections to this model are worth setting out. First, the Renters' Rights Act 2025 moves most tenancies onto an open-ended basis rather than a fixed term, and the National Residential Landlords Association has argued this could make guarantors harder to secure, not easier, since people are far more reluctant to guarantee rent indefinitely than for a defined period – the reverse of what a genuinely time-limited guarantee requires[48]. Second, guarantee schemes more generally carry a documented risk of moral hazard: research on credit guarantee schemes has found that when a guarantor absorbs the full loss, both the party being guaranteed and the party extending credit have less incentive to act carefully, an effect that eases once the guaranteed party retains some 'skin in the game' rather than a full guarantee[49].

Any full or partial loss guarantee would also need to comply with financial regulations or the loan effectively becomes a grant.

4f. Inter-agency reserve fund

Partnership across a number of organisations could enable pooled asset and risk sharing by establishing a reserve fund. This would not fall to any single organisation but could be built across a variety of philanthropic foundations, credit union participation, local authority homelessness prevention funding, and potentially social investment. Because the fund would only need to cover the (possibly) small proportion of tenancies that encounter difficulty, a modest reserve could safely underpin a much larger number of households through risk pooling.

The reserve fund and institutional-guarantee proposals have not yet been tested against a downside case: what happens if defaults run higher than assumed, or several tenancies fail at once and the 'modest reserve' is exhausted? Given the fairly high default/homelessness rates for some of the groups involved, a reader sympathetic to the idea would still want to know what happens to the fund, the guarantor organisation, and the remaining guaranteed tenants when the pooling assumption is wrong – not just that pooling reduces risk when it works.

Might this structure also enable churches and community organisations already supporting refugees to participate safely and constructively? I suspect that many are willing to help but cannot reasonably assume open-ended guarantor liability. However, the pooled guarantee fund would allow them instead to contribute in a bounded and collective way, whether financially or through their relational support, so that their willingness to help becomes part of a sustainable institutional mechanism rather than an individual burden. In this way, existing goodwill could be translated into a practical and financially responsible structure. A reserve fund could align the appropriate organisations whose existing purposes already converge around financial inclusion, housing stability, and refugee integration.

This convergence of thinking is echoed elsewhere. Centrepoint and Step by Step have each separately called for local authorities to be required to offer a rent deposit and guarantor scheme to care leavers and other young people leaving supported accommodation, rather than leaving provision to vary by area as it currently does[50 51]. The proposals in this paper sit within a wider and growing consensus that guarantor and deposit support should be treated as a structural entitlement, not a matter of local discretion or individual luck.

5. Summary table of options

Solution	How it works	Who pays and who bears the risk	Key limitation	Track record and evidence
Help with upfront costs				
Deposit-replacement insurance *(Reposit, Flatfair, Zero Deposit)*	Insurance replaces the upfront deposit	Tenant pays a fee instead of a deposit; risk sits with insurer	Reduces upfront cost but doesn't touch the guarantor requirement at all	Established products
Bond scheme (Council)	Council provides a bond in place of deposit/guarantor	Council-funded; risk sits with council (often written off)	Administratively complex; tenants often end up in poor-quality accommodation	Existing but poor outcomes
Charitable gift *(Vicar's Relief Fund, RefuAid)*	One-off grant or 0% interest loan for rent/deposit	Free, or interest-free loan; risk sits with charity	Conditions apply; small scale	RefuAid: 670 loans, 98% repayment
Refugee Deposit Scheme	Deposit drawn from a donated pot, recycled at end of tenancy	Free to refugee, funded by donated pot; risk sits with pooled fund	Pilot scale only. Upfront payment rationale weakened by the new rent-in-advance cap from May 2026	3-year pilot from Aug 2023

Solution	How it works	Who pays and who bears the risk	Key limitation	Track record and evidence
Microfinance organisations *(Lendwithcare)*	Relationship-based lending; borrower repays a loan	Loan, not a gift; risk sits with lender, offset by strong repayment	Not yet applied to UK rent guarantees specifically	99% repayment rate demonstrated internationally
Alternatives to a personal guarantor				
Commercial guarantor service *(Housing Hand, Rent Guarantor, UK Guarantor)*	Company stands as guarantor for a fee, then recovers any shortfall from the tenant	Tenant pays and risk sits with the company	Doesn't solve the underlying affordability problem – only helps those who can pay the fee	Established, commercially available now
Council/ charity rent guarantee scheme	Council or charity acts as guarantor directly	Free or subsidised to tenant and risk sits with council/ charity	Administratively slow; discretionary and provision varies by area	Existing but patchy
Landlord rent-guarantee insurance	Landlord insures against arrears directly	Landlord pays/ risk sits with insurer	Removes the need for a guarantor entirely, but only if the landlord chooses to buy it	Established products
Guarantor Club	Ten people share liability; one signs as formal guarantor	Free to beneficiary; cost falls on cohort if default; risk shared across 10 members	No exit mechanism; leaving is arduous; cohort loses funds on default; no landlord-acceptable legal template yet	Proposed/ untested – one church idea
Credit unions/ time-limited institutional guarantee	Guarantee expires after a fixed period (e.g. 12 months) as tenant builds a track record	Flat admin fee (university precedent); risk sits with credit union/ charity/ fund, but only for a defined period	Must be regulation-compliant or it becomes a grant; unworkable for very low-income tenants	Precedent at universities (LSE, Edinburgh, LSHTM, York); Kent CC care-leaver scheme had no defaulters
Inter-agency reserve fund	Pooled fund across foundations, credit unions, local authorities, social investment	Bounded/ collective contribution; risk spread across many organisations, only needs to cover defaulters	Requires coordination across many organisations; not yet built	Proposed – aligned with Centrepoint/ Step by Step calls for a structural entitlement

6. Ways forward

The standard guarantor contract can be revised so that the parties agree to cap the guarantor's liability at a fixed sum, limit it to a set period or to one tenant's share of the rent[52]. The Renters' Rights Act 2025 adds some statutory protection: a guarantor is not liable for a rent increase that did not follow the section 13 procedure, nor, for guarantees signed on or after 1 May 2026, for rent falling due after the tenant's death[53].

7. Conclusion

This survey of mechanisms to address the rent guarantor conundrum does not resolve easily into a simple recommendation for the way forward. Would a single solution be better than a diverse market of options? We do not yet know.

8. Organisations that might be able to help

My opening inquiry reads as follows:

> I have been musing on our experience with supporting refugees to get their first UK home. Once the Home Office grants *Leave to Remain*, they have just 28 days to find somewhere to live and local Councils are already overwhelmed. They have been subsisting on 53% of the welfare benefit levels everyone else gets[54], so do not have savings. They need a rental property quickly but have been denied the opportunity to work, so do not have six months' payslips to hand. Landlords ask for a third party to act as guarantor, but the law provides no means by which the guarantor can end the obligation, so few will commit to do this for anyone beyond their immediate family.
>
> I am seeking creative solutions that provide dignity for the refugee, confidence for the landlord and limited liability for the guarantor. Findings are written up at https://peterbates.org.uk/wp-content/uploads/2026/02/How-to-navigate-the-UK-Rent-Guarantor-conundrum.pdf[55] and change every time I learn something new. Might you be willing to make a few suggestions for who to contact or things to consider?

The following organisations have been approached for advice:

- Acts 435[56]
- All Together Money[57]
- Become[58]
- Citizen Network[59]
- Common Change UK[60]
- Crisis[61]
- Fair4All Finance[62]
- Green Pastures[63]
- Homeless Link[64]
- Just Money Movement[65]
- Kingdom Bank[66]
- LandAid[67]
- NACRO[68]
- People Focused Group[69]
- Responsible Finance[70]
- Stewardship[71]
- St Giles Trust[72]
- The National Development Team for Inclusion[73]
- The Pickwell Foundation[74]
- Unlock[75]
- Welcome Churches[76]

The following individuals and organisations have not yet been contacted:

- **Credit unions**, such as London Mutual Credit Union[77] and other community-based lenders, could be natural partners, given their foundational purpose of extending trust responsibly.
- **Housing and refugee organisations** such as the Refugee Council[78], Housing Justice[79], Shelter, and local authority resettlement teams could bring operational insight and referral pathways. There are lists of refugee organisations at Search results | Stewardship[80], housing organisations at Search results | Stewardship[81] and finance organisations at Search results | Stewardship[82].

- **Charitable Foundations:** Trust for London[83], the Joseph Rowntree Foundation[84], and City Bridge Foundation might be open to supporting the initial reserve layer, particularly where the model demonstrates scalability and the prevention of homelessness. I think this would finally create a tangible solution rather than the same ongoing, never-completely-tackled matter.
- **Local authorities** can be found at https://www.gov.uk.
- **Local organisations**, such as NNRF[85], could play an important role as local referral and support partners, helping identify suitable tenants and providing the relational continuity that strengthens tenancy stability and builds confidence among landlords and financial partners. Some 1,500 local homelessness advice and support services are listed on the Homeless England database[86].

9. How this paper is being written

The investigation that generated this paper is driven by simple curiosity. The work is unfunded and is conducted as a piece of citizen science rather than under the control of any organisation. Accountability is achieved by following the *Writing in Public* framework[87]. Many people have been approached for advice, and I am grateful to the people who have contributed to this evolving resource[88]. Please send me your suggestions for further improvements.

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1 Generation Rent polled 711 private renters and found 40% had been asked to provide a guarantor for a new tenancy in 2025, compared to 33% of those who started their tenancy between 1 and 3 years ago — suggesting the practice has been rising. See More agents turning to guarantor agreements - PayProp Blog

2 Welfare benefits can cover the cost of renting, so the problem is obtaining the tenancy at the start, rather than continuing to pay in the medium term.

3 Vouchsafe.id offers a service that helps validate the identity of people who have limited or non-typical forms of ID (for example, they may lack a passport or a driving licence).

4 England has 25.6 million homes, of which 4.9 million are privately rented - see Dwelling stock, including private rented dwellings: Dwelling Stock Estimates, England: 31 March 2024 – GOV.UK. In England, rental accommodation houses 4.7 million or 19% of all households – see Households by tenure: English Housing Survey 2024 to 2025, Chapter 1: profile of households and dwellings – GOV.UK

5 The Government estimates that there are 2.3 million private landlords in England (Renters' Rights Bill Impact Assessment, MHCLG, 2024, p. 8). By comparison, across the UK, 2.88 million unincorporated landlords declared income from renting property in 2024-25, although this figure also includes some commercial lettings – HMRC, Property rental income statistics: 2026 – GOV.UK

6 RICS negative landlord instructions, ONS house prices, rental demand: Rents set to rise further as tenant demand outpaces shrinking landlord supply – REalyse

7 ~200,000 properties leaving the rental sector, buying vs. selling imbalance: Why UK Landlords Are Exiting Buy to Let — 2026 Numbers – PropInvestUK

8 Landlords buying more than selling for first time since 2019; 23% landlord-to-landlord sales vs. 9.9% historical average; "consolidating, not collapsing": UK Landlord Statistics 2026 – SimplyQuote

9 22% of tenants had been asked to provide a guarantor before moving into their present home – see MHCLG, English Housing Survey 2024 to 2025: private rented sector – pre-Renters' Rights Act overview, published 14 May 2026, Annex Table 3.2.

10 Shelter England, Guarantors for tenancy agreements – Shelter Legal

[11] Advicenow, Information for guarantors

[12] Step by Step, 'Rent Guarantors a Further Barrier to Independent Living': https://www.stepbystep.org.uk/news/rent-guarantors-a-further-barrier-to-independent-living

[13] UK Parliament POST, 'Migrants and Housing', briefing POST-PN-0560: https://post.parliament.uk/research-briefings/post-pn-0560/

[14] Generation Rent, 'Migrant groups face obstacles in accessing safe and secure housing' (2023): https://www.generationrent.org/2023/07/20/migrant-groups-face-obstacles-in-accessing-safe-and-secure-housing/

[15] Barnardo's, 'The case for a national rent guarantor and deposit scheme for care leavers aged 18–24 in England' (2023): https://www.barnardos.org.uk/research/case-national-rent-guarantor-and-deposit-scheme-care-leavers-aged-18-24-england

[16] McKee, Soaita and Hoolachan, ''Generation rent' and the emotions of private renting: self-worth, status and insecurity amongst low-income renters', Housing Studies, 35:8 (2020): https://doi.org/10.1080/02673037.2019.1676400

[17] National Residential Landlords Association, 'Renters on financial margins risk being locked out of rental market': https://www.nrla.org.uk/renters-on-financial-margins-risk-being-locked-out

[18] Property118, 'Renters' Rights Act may shut out 'riskier' tenants – NRLA': https://www.property118.com/renters-rights-act-may-shut-out-riskier-tenants-nrla/

[19] Property118, 'Charity warns over increased reliance on guarantors under reforms' (reporting TDS Charitable Foundation research, not independently verified against the Foundation's own publications): https://www.property118.com/charity-warns-over-increased-reliance-on-guarantors-under-reforms/

[20] Tenant Fees Act 2019, Schedule 1.

[21] Deposit protection schemes and landlords – GOV.UK

[22] RDS (Refugee Deposit Scheme) announcement, NRLA: https://www.nrla.org.uk/news/new-scheme-refugees-deposits. It was a partnership led by LandAid and the Tenancy Deposit Scheme with the MTVH Migration Foundation, the British Red Cross and City Bridge Foundation as partners.

[23] Tenancy Deposit Scheme (TDS): https://www.tenancydepositscheme.com/

[24] The Negotiator, 'Deposit alternatives – too good to be true?': https://thenegotiator.co.uk/features/products-services-features/deposit-alternatives-too-good-to-be-true/

[25] Reposit: https://reposit.co.uk/

[26] Flatfair: https://www.flatfair.co.uk/

[27] Zero Deposit: https://www.zerodeposit.com/

[28] For example, Erewash Borough Council Bond Guarantee Scheme and Maldon District Council Tenants Damage Deposit Guarantee Scheme. Some schemes, such as Maldon's, expressly exclude rent arrears.

[29] See the H-CLIC collection behind the quarterly statutory homelessness releases. Also Statutory homelessness in England: October to December 2025 - GOV.UK. Also H-CLIC v1.4.1 guidance

[30] 70 landlords in Milton Keynes sign up to city council's guaranteed rent and cash incentive scheme – MKFM, 23 February 2023

[31] The Vicar's Relief Fund: https://smitf.flexigrant.com/

[32] RefuAid: https://refuaid.org/

[33] Lendwithcare: https://lendwithcare.org/

[34] Home Office (GOV.UK): https://www.gov.uk/government/organisations/home-office

[35] SOAS, 'Home Beyond the Home Office: Addressing Refugee Move-on Challenges in the Oxford Area' (2024)

[36] Housing Hand: https://housinghand.co.uk/

[37] RentGuarantor: https://www.rentguarantor.com/

[38] UK Guarantor: https://ukguarantor.com/

[39] Shelter – guidance for private renters on guarantors: https://england.shelter.org.uk/housing_advice/private_renting/guarantors_for_private_renters

[40] Barking & Dagenham Cabinet report: Rent Guarantor Scheme for Care Leavers. modelled projected savings of around £156,000/year if all 10 moved out of supported accommodation, against a worst-case cost exposure of £85,500.

[41] Barnardo's, 'The case for a national rent guarantor and deposit scheme for care leavers aged 18–24 in England' (2023): https://www.barnardos.org.uk/research/case-national-rent-guarantor-and-deposit-scheme-care-leavers-aged-18-24-england. See also Barking & Dagenham Cabinet report: Rent Guarantor Scheme for Care Leavers.

[42] Rent guarantee insurance is also called 'tenant default cover'. The following insurance companies are the main providers: Total Landlord Insurance, Hamilton Fraser, Alan Boswell Group, Simply Business, Superscript, CIA Landlords, Just Landlords, Locket, NRLA (National Residential Landlords Association).

[43] Commonweal Housing – Peer Landlord project: https://www.commonwealhousing.org.uk/projects-peer-landlord

[44] LSE Rent Guarantor Scheme: https://www.lse.ac.uk/student-life/accommodation/private-housing/rent-guarantor-scheme

[45] University of Edinburgh Rent Guarantor Scheme: https://registryservices.ed.ac.uk/student-funding/guarantor

[46] LSHTM Rent Guarantor Scheme: https://www.lshtm.ac.uk/study/new-students/accommodation/lshtm-rent-guarantor-scheme

[47] University of York Rent Guarantor Scheme: https://www.york.ac.uk/students/accommodation/private-sector/rent-guarantor-scheme/

[48] Property118, 'Renters' Rights Act may shut out 'riskier' tenants – NRLA': https://www.property118.com/renters-rights-act-may-shut-out-riskier-tenants-nrla/

[49] World Economic Forum, 'Do credit guarantees encourage moral hazard?': https://www.weforum.org/stories/2014/11/do-credit-guarantees-encourage-moral-hazard/

[50] Centrepoint, 'From care to where? Care leavers' access to accommodation': https://centrepoint.org.uk/research-reports/care-where-care-leavers-access-accommodation

[51] Step by Step, 'Rent Guarantors a Further Barrier to Independent Living': https://www.stepbystep.org.uk/news/rent-guarantors-a-further-barrier-to-independent-living

[52] For an example of a post-2026 template that allows a cap on liability and apportions rent between joint tenants, see A new Landlord Law guarantee deed for the Renters' Rights Act era – Landlord Law

[53] Shelter England, Guarantors for private renters

[54] Asylum seekers cannot claim Universal Credit or mainstream benefits while their claim is pending. Instead, they receive Section 95 support, which is designed to cover only basic living needs (food, toiletries, transport), and amounts to £49.18 per week, which is 53% of the rate of welfare benefit for a UK national aged 25 or over. Forms and levels of material reception conditions - Asylum Information Database | European Council on Refugees and Exiles

[55] Most recent version of this paper: https://peterbates.org.uk/wp-content/uploads/2026/02/How-to-navigate-the-UK-Rent-Guarantor-conundrum.pdf

[56] Acts 435: https://www.acts435.org.uk/

[57] All Together Money: https://www.alltogethermoney.coop/. Formerly the Association of British Credit Unions Limited, All Together Money is the credit union movement's umbrella body and could advise on whether a guarantor or deposit fund is something its member credit unions could realistically operate at scale.

[58] Become: https://becomecharity.org.uk/. This charity for children in care and young care leavers could speak to how the guarantor barrier affects care leavers.

[59] Citizen Network: https://citizen-network.org/

[60] Common Change UK: https://commonchange.uk/

[61] Crisis: https://www.crisis.org.uk/ the national homelessness charity, has research and policy teams working on private renting and could advise on the evidence base for the models proposed here.

[62] Fair4All Finance: https://fair4allfinance.org.uk/

[63] Green Pastures: https://www.greenpastures.co.uk/

[64] Homeless Link: https://homeless.org.uk/ is the umbrella body for homelessness charities in England and could help identify which of its members already run guarantor or deposit schemes and where the gaps are.

[65] Just Money Movement: https://justmoney.org.uk/

[66] Kingdom Bank: https://www.kingdom.bank/

[67] LandAid: https://landaid.org/news-and-stories/landaid-joins-partnership-to-road-test-ground-breaking-refugee-deposit-scheme/

[68] Nacro: https://www.nacro.org.uk/. NACRO is a national charity providing housing and resettlement support for people leaving prison, so may have experience of how guarantor and deposit requirements act as a barrier for ex-offenders.

[69] People Focused Group: https://peoplefocused.org.uk/moreinfomtation/people/kelly-hicks

[70] Responsible Finance: https://responsiblefinance.org.uk/. As the trade body for the UK's community development finance institutions, it could advise on whether a guarantor or micro-loan fund of the kind proposed here fits within the responsible-finance sector's existing infrastructure.

[71] Stewardship: https://www.stewardship.org.uk/

[72] St Giles Trust: https://www.stgilestrust.org.uk/ . St Giles Trust supports people with convictions into stable housing and could bring a service-user perspective on what a workable guarantor alternative would need to look like.

[73] The National Development Team for Inclusion: https://www.ndti.org.uk/

[74] The Pickwell Foundation: https://www.thepickwellfoundation.org.uk/

[75] Unlock: https://unlock.org.uk/. Unlock, the national charity for people with criminal records, campaigns on exactly this kind of structural barrier and could be a natural policy partner (policy@unlock.org.uk).

[76] Welcome Churches: https://welcomechurches.org/

[77] London Mutual Credit Union: https://www.londonmutual.co.uk/

[78] Refugee Council: https://www.refugeecouncil.org.uk/

[79] Housing Justice: https://housingjustice.org.uk/

[80] Stewardship search results – refugee organisations: https://www.stewardship.org.uk/search-results?type=partners&keys=housing+refugees&partner_types=Charity

[81] Stewardship search results – housing organisations: https://www.stewardship.org.uk/search-results?type=partners&keys=housing

[82] Stewardship search results – finance/microfinance organisations: https://www.stewardship.org.uk/search-results?type=partners&keys=microfinance

[83] Trust for London: https://www.trustforlondon.org.uk/

[84] Joseph Rowntree Foundation: https://www.jrf.org.uk/

[85] NNRF (Nottingham & Nottinghamshire Refugee Forum): https://www.nottsrefugeeforum.org.uk/

[86] https://homeless.org.uk/homeless-england/. Click on the link and enter your area or post code - contact details should show on the right-hand side on a computer or at the top on a mobile.

[87] Bates P (2024) *How-to-write-in-public.pdf (peterbates.org.uk)*.

[88] With grateful thanks to the following people who have responded to my inquiry: Vince Cox at Fair4allfinance; Nic Crosby at NDTi; Philippe Granger a Charity Trustee; Katie Greene at Acts435; Kelly Hicks at People Focused Group; Samuel Luak at Welcome Churches; Alison Maiden at Kingdom Bank and Rosie Venner at Just Money. All errors and omissions are the sole responsibility of the author. The information is provided in good faith, and so readers engage with the contents at their own risk and undertake not to hold the author liable for any injury, loss, or damage arising through reading or acting on its contents.