



Moving in the UK: Challenging an unfair renting model



Exec forward

Husmus believes that everyone has the right to live to their fullest with whoever they want, be they 2 or 4 legged, whether their home is rented or owned

Unfortunately the way we apply to rent in the UK is no longer fit for purpose.

A surprisingly large amount of people come up against the same hurdles time and time again, be they discrimination, funding, emotional challenges and more.

This results in people having to make huge compromises to their life and general wellbeing that no one should have to.

Yet today's system does little to acknowledge, accommodate or address these challenges.

We spoke to 2,000 renters in the UK to get a true understanding of what it's like to move location within the rental market with a random final split of 55% private renting and 45% in social accommodation.

Note this is not an exploration of all parts of renting, just the act of moving properties.

It is also important that we provide a sense of scale to these numbers and what they represent. Currently in the UK there are roughly 8 million households (17 million people) privately or socially renting. That means each 1%* represents up to 80,000 households.

It is our hope that with this paper we can show how commonplace these hurdles are, let renters feel seen, and hopefully take the first step toward a more inclusive and fair rental market.

*in instances where they refer to the UK as a whole.



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Moving in the UK – market overview

The act of moving in the UK is a vital cog in the rental market. It's a long standing system wherein the typical private renter goes through a short background and/or credit check, puts down a deposit of 5 weeks rent and pays the first month rent in advance.

On the surface it sounds straightforward, but this one moment can have a multitude of long standing effects on a person or family's quality of life for an extremely long time

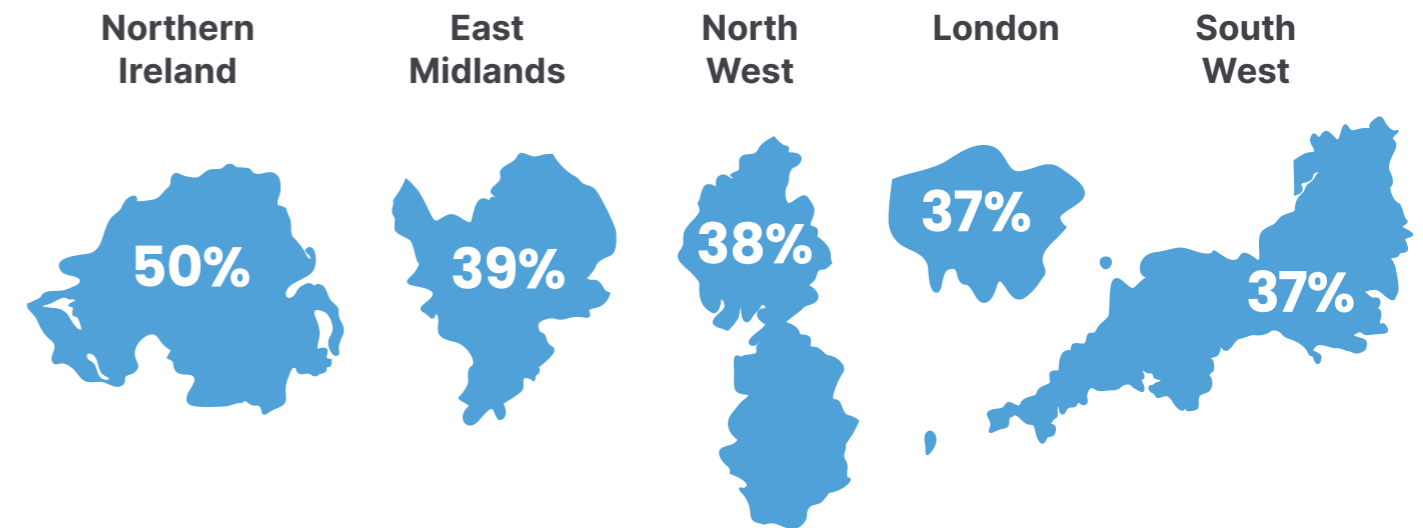
What is also underestimated is how much of a struggle passing this milestone can be for so many of us. The act of saving that quantity of cash, the compromises needed to get there, and passing credit checks that do not account for how well you have fulfilled rental payments is strikingly difficult for a surprisingly large number of us.

And this isn't just a London phenomenon. We face these hurdles all over the UK.



The UK's most financially draining areas:

Percentage of respondents who find moving within their area financially draining



It is also a very British trait to have pets. **Almost two thirds of renters (64%) have at least one pet** - and yet once again, it is a common hurdle for most renters. Landlords will often have a 'no pets' clause in their leases. This can result in heartbreaking sacrifice where over 1 in 10 pet owners have to give up their pets to move in.

It comes as no surprise that **the most commonly used term to describe moving is stressful (61.5%).**

But to add insult to injury the UK has a serious housing deficit. There are currently 1.1 million people on the waiting list for social housing [according to Shelter](#).

What this all points toward is an unfair renting model that penalizes those with less means and forces unnecessary financial recourse.

All this leaves 71.4% of renters feeling that people's access and ability to rent is not fair and equal to all.



Financial barriers to renting

It is too easy to put rental choices down to “go with what you can afford”.

Many people can in fact afford the rent, but it is the large sums of money that must be paid up front that is all too preventative.

A whopping **£5.2bn is locked up in UK deposit schemes** – this number puts in perspective how much more could be done/accessed if it was freed up.

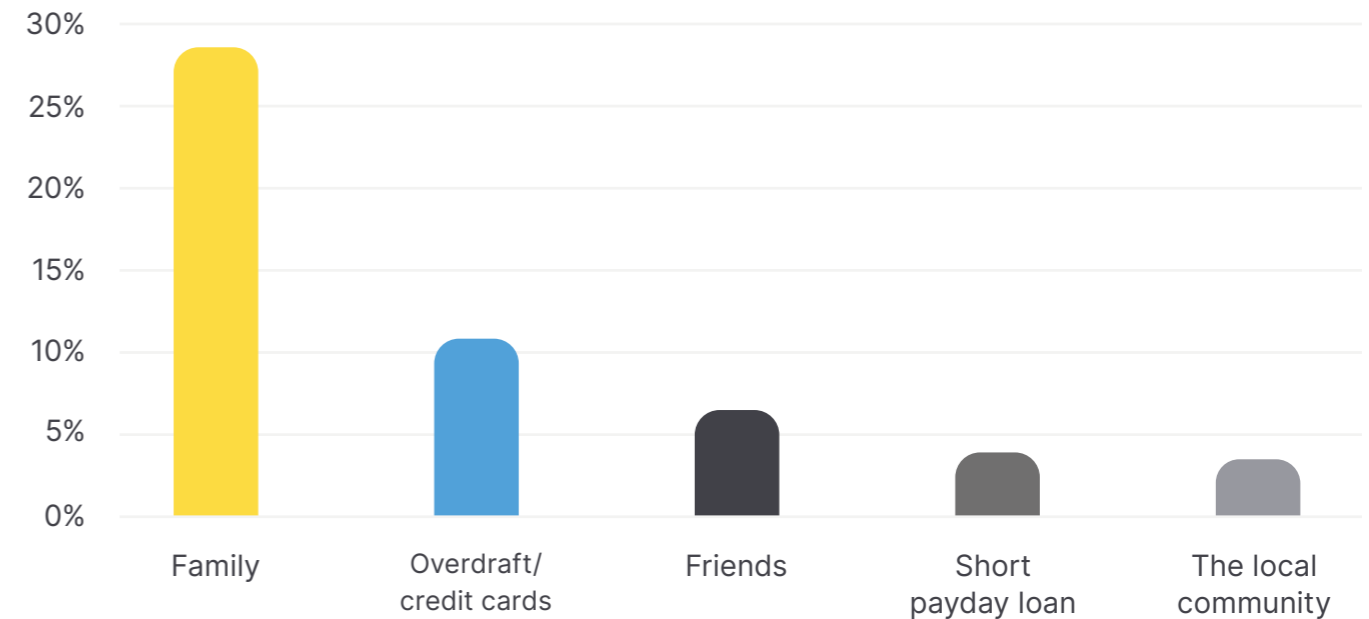
When looking simply at how that affects choice of location, affording initial deposits or up-front rent has had a limiting effect on the homes 42% of renters apply to, despite being able to cover the rent.

That is **2 in 5 of renters in the UK have their options shrunk arbitrarily.**

60% of renters describe the process of moving as financially draining or unaffordable – only 5% of us would go as far as describing it as actually affordable.

The knock on effect is that we’re stretched beyond our means. **Over half (53.2%) of renters have had to find alternative sources of finances** to afford costs associated with initial rental agreements – as they have been unable to cover the cost with existing finances.

Bridging the downpayment gap



Who renters turn to, to bridge the gap

1 in 4

of renters have actually been refused a rental due to not hitting financial prerequisites



The most common provider of temporary finances is family at 28.4%, but **14.1% are having to accrue debt**, either via an overdraft or credit card (10.2%) or through payday loans (3.9%). 3.6% have also resorted to financial support from the local community to make these initial payments.

Almost a quarter (24.7%) of renters have actually been refused a rental due to not hitting financial prerequisites. To get round this the most common practice is to provide a guarantor (44.8%).

Interestingly **men are 10% more likely to be able to afford 6 months advanced rent than women** (32% vs 22% respectively).

Undue Compromises

Many people think of the act of moving in isolation, but in reality the process can affect each and every corner of our lives.

We've already spoken about how affording up-front costs can stretch us beyond our means for that payment, but what does it mean for everything else?

The financial barriers to renting are having a significant impact on renters' quality of life, with **over a third (37.6%) of renters having to delay moving** to save up for a deposit or rent down payment.

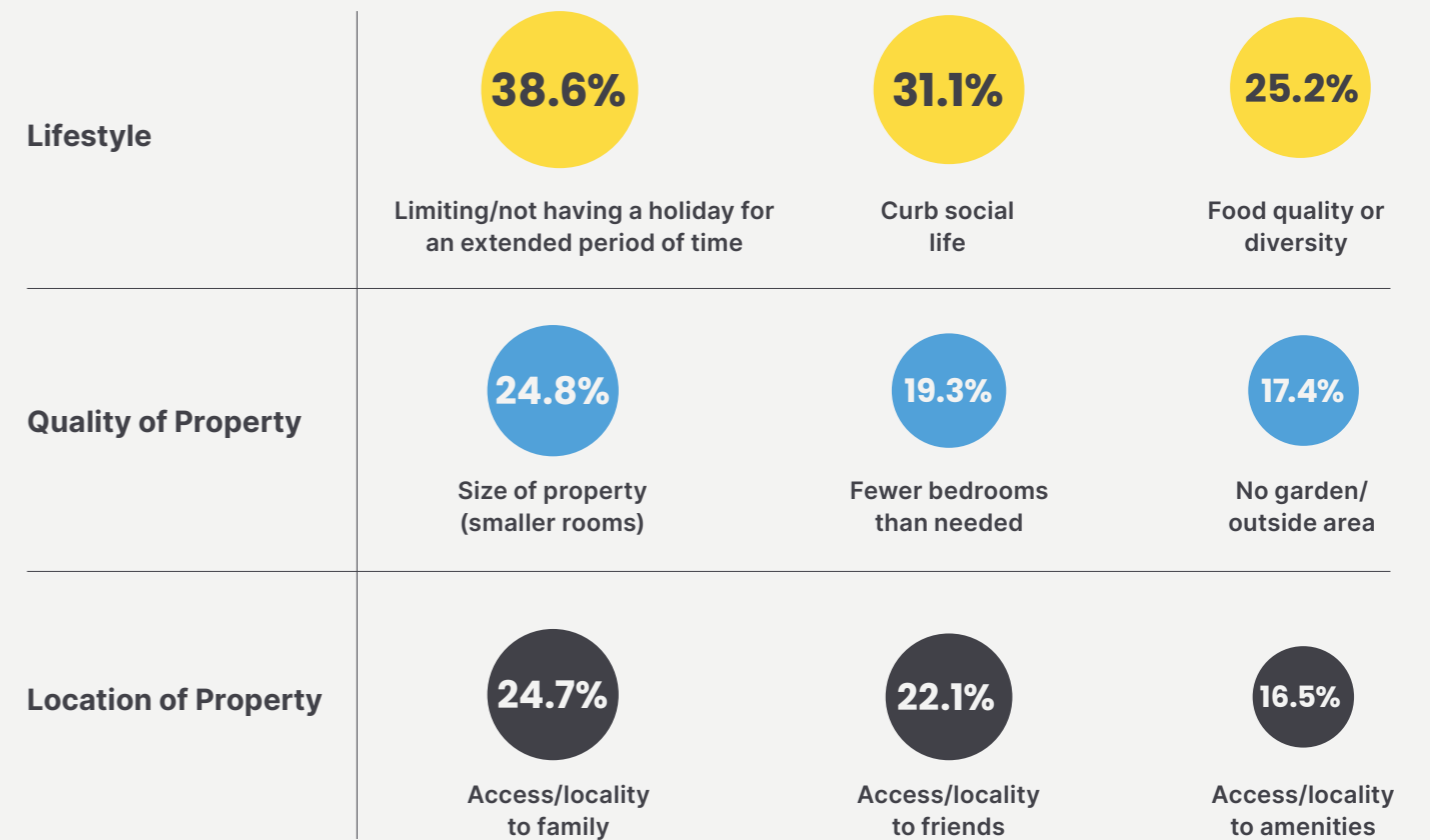
While 31.3% of those have been able to stay where they were currently renting or living, or stay with family temporarily (20%), **a large proportion (37%) have had to stay in a location even though they wanted or needed to leave for emotional, health, safety, or other critical needs.**

Of those who have had to delay moving, a substantial 87.4% have experienced a negative impact as a result. This ranges from emotional stress on relationships (40.2%) and emotional stress on the individual (38.3%), to an additional financial burden (31.9%).



What notable compromises have you made to afford a deposit and/or pass a finances check to move in?

(e.g. provide a large upfront payment of rent)



In terms of compromise to quality of life – that renters have had to make to afford a deposit or pass a finances check – the most common options are not having a holiday for an extended period of time (38.6%), and curbing social life (31.3%). However, the next most common compromises are being made around food quality and limiting new clothes for children or dependences, at 25.2% and 25.1% respectively.

Many renters have had to make other sacrifices when moving, including giving up furniture or personal belongings (24.2%), personal space (19.5%), and pets (10.5%).

Moving house should also be a happy and exciting time, yet **only 3.5% of us describe it as happy, 3.9% fun, and only 10% exciting.**

In all, the moving process for renters has significant emotional implications, with the majority finding the process of moving to be stressful (61.5%), and a high proportion finding it challenging (44.8%) or daunting (28.8%) – and 17.5% are losing sleep over concerns around the rental moving process.

1 in 4

renters have to compromise quality of food, or clothes for their children/dependencies

Discrimination and bias in renting

Unfortunately not all experiences are equal when it comes to renting

Over a third of renters (36.7%) feel they have been a victim of discrimination in an application to renting. The most common reasons for discrimination are:

- Receiving benefits/state support 16.5%
- Age 10%
- Being a single parent 8%
- Racial 6%

Of those who have felt they have been a victim of discrimination, almost half (46.3%) did not feel equipped, knowledgeable enough or capable enough to deal with the discrimination.

And 1 in 5 of these instances were not able to be successfully resolved or rectified.



Discrimination instances rise to 44% for those receiving financial benefits versus only 28% for those not receiving any aid. (Note, this is not necessarily in direct response to receiving the benefits themselves.)

This is despite the ban on “no DSS” – no benefits – policies of landlords.

We outlined earlier that a quarter (24.7%) of renters have been refused a rental due to not hitting financial prerequisites despite being able to afford the rent. This figure once again rises to 32% for those receiving benefits, and drops to only 14% for those not receiving benefits.

Those receiving state benefits are also more likely to have to stay longer in a location they wanted/needed to leave (for emotional, health, safety, or other critical needs) vs. not receiving any 41% vs 31%. And also more likely to feel they have added financial burden on other people by staying longer than those not on benefits, 21% vs 14%.

Benefit recipients are also more likely to have to give up pets, belongings, and personal space when moving. They more frequently have to compromise on food quality or diversity, and compromise on new clothes for children and dependencies when saving for rental down payments.



Introducing Husmus

Swedish for 'House Mouse' Husmus aims to make renting inclusive, convenient and affordable.

Do you imagine a world where all tenants have an equal shot at landing a home? Where tenants don't have to pay vast amounts of money upfront as deposits? Where getting issues and repairs sorted doesn't cost a bomb and take forever? We do too!

Landlords and tenants occasionally have a tumultuous relationship and are distrustful of each other. Despite needing each other, sometimes they may view each other as the enemy. It doesn't have to be that way anymore. Husmus is the change that tenants and landlords have been crying out for.

Our focus is on three main areas:

- We **spotlight great tenants** based on positive rental behaviour so that every tenant has an equal chance of accessing a home irrespective of their lifestyle choices and income sources.
- We **make private renting financially accessible** through our bespoke insurance products and offer personalised prices based on individual behaviour profiles. Say goodbye to paying for upfront deposits, pet damages and high repair costs.
- We **remove the frictions and costs of rental home maintenance** through our smart assistant so that we can improve tenant living conditions and landlord ability to serve tenants better.

How Husmus helps you find a home

- We provide technology to help reliable tenants access homes regardless of their lifestyles.
- We provide cover to reduce upfront moving costs for tenants and landlords.
- We eliminate landlord admin burdens to create great experiences for them and their tenants.

Husmus was founded by husband and wife team Sarah and Mattias Wernér who started Husmus because they believe that everyone should enjoy renting.

"Many of us spend decades renting, that should not deprive us of the joys of positive home experiences. That is ultimately what Husmus aims to achieve"

– Sarah, CEO



