

6 things renters need to know about deposit replacement schemes

Did you know that the average deposit paid by renters in [England and Wales is £1,139](#)? This is where deposit replacement schemes aim to help you out.

1

A [deposit replacement scheme or service](#) means that you'll [pay a small fee upfront](#), normally one week's rent instead of the traditional deposit of five or six weeks' rent

2

This fee is [non-refundable](#) - but means you'll have less money tied up in a large deposit

3

This can benefit you and your landlord or agent. The smaller fee helps to free up your [cash flow](#), while your landlord gets the same level of protection, if not more, than a traditional deposit

4

You'll still be [liable for any unpaid rent or damage](#) to the property, aside from fair wear and tear. Any costs that you may be liable for would be calculated at the end of your tenancy, as normal

5

If an agency or landlord offers a deposit replacement scheme, you should [always be given a choice](#) between that and a traditional deposit

6

Some deposit replacement schemes charge a [yearly renewal fee](#) and [others are chargeable monthly](#), so it's important to be aware that they could sometimes cost more than a traditional deposit, depending on how long you plan to stay in the property

