



## Appendix A

# Homes for Ukraine – Landlord Incentive Scheme Policy

### Policy statement:

South Cambridgeshire District Council (SCDC) acknowledges its responsibility to address the pressing humanitarian situation faced by Ukrainian refugees seeking their own independent accommodation within our region. In line with our commitment to providing support and assistance to those in need, we are implementing the Landlord Incentive Scheme for Homes for Ukrainian (HFU) refugees. This scheme aims to encourage landlords within South Cambridgeshire to rent their properties to Ukrainian refugees who are seeking safe and stable accommodation.

### Objective:

The primary objective of the landlord incentive scheme is to increase the availability of suitable and independent housing for Homes for Ukraine refugees within South Cambridgeshire. The policy seeks to achieve this by incentivising landlords to offer tenancies to Homes for Ukraine refugees by providing a payment based on how many bedrooms their property has, and what type of tenancy they provide. South Cambridgeshire District Council will ask participating landlords for a minimum of an initial 6 month tenancy, with an option to provide a 12 month tenancy if they choose. If the landlords agree to a further tenancy after the initial tenancy, we will provide a top-up payment. This will depend on the length of the tenancy, and if the rent is charged at market or Local Housing Allowance (LHA). Landlords will qualify for payments for up to 18 months of tenancies with the same HFU family group. After



this, if they take on a new family, they will qualify for payments again subject to eligibility criteria. This is so we can retain landlords and their properties for HFU guests who may arrive in South Cambridgeshire later. The rationale to provide incentive payments for 18 months for each family a landlord provides their home to ensures SCDC supports them to access private rented accommodation whilst also promoting the Ukrainian guests to become self-sufficient where possible. This scheme aims to address the urgent need for suitable accommodation for HFU refugees, promoting a welcoming environment while also offering attractive incentives to participating landlords.

### Incentives:

The landlord incentive scheme will provide landlords with a payment if they offer their rental property to a HFU guest. This will be a payment up front when a tenancy agreement is signed, and the family have moved in. The decision was made to make the payment up front as we feel this is the most attractive option to landlords, and a partial payment will not be enough to incentivise them. As well as this, there is no concern of a landlord evicting a guest after taking the payment, as this cannot be done during a fixed term tenancy agreement unless a legal route is taken, for example if reoccurring non-payment of rent take place.

Landlords can choose to either offer a tenancy at market rent, or at local housing allowance. Both the type of rent they charge, and how many bedrooms the property has will impact what payment the landlord will receive from SCDC. The Council will pay landlords a higher fee if they provide tenancies at the LHA rate, as this is more affordable for tenants, and provides long term stability. The scheme will ask for a minimum tenancy of 6 months when a landlord first signs up. They may offer 12 months initially and will receive double the initial 6-month incentive payment set out in figure 1A below:

Figure 1A – initial 6 month incentive payment:

Number of bedrooms	Market rent incentive	LHA rate incentive
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1 Bedroom	£1,140	£2,280
2 Bedroom	£1,300	£2,600
3 Bedroom	£1,350	£2,750
4 Bedroom	£1,410	£2,820

Once the initial 6 months has come to an end, SCDC will offer another payment to the landlord if one of the following is offered at either market rent, or at LHA; periodic tenancy (monthly rolling), 6 month tenancy, or a 12 month tenancy.

Figure 1B – Top-up incentive payment for tenancies offered at market rate:

Number of bedrooms	Monthly rolling	6 month tenancy	12 month tenancy
1 Bedroom	£285	£1,140	£1,710
2 Bedroom	£325	£1,300	£1,950
3 bedroom	£338	£1,350	£2,025
4 Bedroom	£353	£1,410	£2,115

Figure 1C – Top-up incentive payment for tenancies offered at Local Housing Allowance:

Number of bedrooms	Monthly rolling	6 month tenancy	12 month tenancy
1 Bedroom	£570	£2,280	£3,420
2 Bedroom	£650	£2,600	£3,900
3 bedroom	£688	£2,750	£4,125
4 Bedroom	£705	£2,820	£4,230

The base figure for payments is £1,000 for market rent tenancies, and £2,000 for LHA tenancies. The figures displayed below in figure 1D have then been used to calculate the tapered incentive payments using the percentage difference. For example, the difference between the 1 bedroom market rent and the LHA rent is £127, or 14%. We have then taken 14% of £1,000 (£140) and added this to the base figure, giving a payment of £1,140. The same logic has been used for the LHA



tenancies, however the percentage figure has been doubled. It has then been applied to the £2,000 base payment. All of these figures have been displayed below in figure 1D.

Number of bedrooms	Private rental rate	LHA rate	Difference
1 bedroom	£900	£773	£127 (14%)
2 bedroom	£1150	£848	£302 (26%)
3 bedroom	£1300	£947	£353 (27%)
4 bedroom	£1700	£1296	£404 (23%)

Figure 1D – Current average market and LHA rent in South Cambridgeshire (2023):

To calculate the figures for tenancies after the initial 6 month period, the following logic has been used. For a monthly rolling tenancy, the landlord will be offered a payment of the value of 25% their initial payment. A further 6 month tenancy will result in a payment that is the same value as their original payment. A new 12 month tenancy will mean a payment worth 150% of the original 6 month payment will be applied. The figures for these can be viewed in figures 1B & 1C.

#### Eligibility criteria:

1. Tenants: The scheme is open to Homes for Ukraine guests who are currently registered & residing within South Cambridgeshire.
2. Properties: The scheme is open to private landlords who own residential properties within South Cambridgeshire. The properties must meet basic standards of safety and liveability as defined by local housing regulations.
3. Rent control: Participating landlords who opt for a tenancy at market rate must agree to charge a reasonable and fair rent in line with prevailing market rates for similar properties within South Cambridgeshire. Participating landlords who opt for a local housing allowance tenancy payment must agree to charge



the local housing allowance rate for the type of property they are providing, in line with the local housing allowances rates within South Cambridgeshire.

4. Contract duration: Landlords must be prepared to offer a minimum contract of 6 months. Afterwards, if the landlord wishes to keep their tenants, they can opt to offer a periodic tenancy, a further 6 month tenancy, and a 12 month tenancy. A new offer and acceptance of tenancy means the landlord will qualify for a top-up payment.
5. Renewal process & eligibility for additional payments: When a Homes for Ukraine family group has been provided rental accommodation by a landlord for 18 months under the incentive scheme, the landlord will only qualify for a new incentive payment for a new family group if they have given first refusal to renew the tenancy with the existing tenants at no more than fair market rent. This offer to the existing tenant must be made at least 2 months before the incentive period ends.
6. Compliance: Landlords should comply with all relevant legal requirements and tenancy regulations during the rental period, as well as all safety requirements.
7. Agreement: Prior to participation in the scheme and before the payment is made, landlords and South Cambridgeshire District Council will sign a formal agreement outlining the terms and conditions of the incentive, rental arrangements, and responsibilities.
8. Participating landlords may only receive a maximum of 2 payments after their initial payment is received.

### **Application process:**

1. Expression of interest: Landlords who are interested in participating in this scheme should get in contact with the Homes for Ukraine Liaison Team through dedicated channels, such as email or the team's phone line. An online form can also be created to register interest. The email address is [HFULiaison@Scambs.gov.uk](mailto:HFULiaison@Scambs.gov.uk) and the phone number is 01954 713411.



2. Assessment: The landlords will need to provide documentation to show that the property is eligible to be used as a rental property. This will include providing gas safety certificates, an up to date energy performance certificate (EPC), confirm they will provide a legitimate tenancy agreement, and they can provide a right to rent booklet.
3. Approval: Upon receipt of relevant documentation and proof of eligibility, landlords will receive formal approval that they can participate in the landlord incentive scheme.
4. Placement: South Cambridgeshire District Council will work with its cohort of Homes for Ukraine guests to identify a suitable match for the rental property, and connect them with the landlord. Landlords may also have been approached directly by a Ukrainian family who suggested they join this scheme. In this case, the match will have already taken place.
5. Payment: Once the tenancy agreement has been signed, and the Ukrainian family has moved into the property, the payment will be made directly to the landlord. This payment will be made via a BACS payment, and can take several weeks to show in their account.

### **Duration:**

The Homes for Ukraine Landlord Incentive scheme will be implemented to run alongside the duration of the Homes for Ukraine scheme. There will be continuous review of uptake of the scheme and any wider impacts of the scheme on the private rented sector in South Cambridgeshire. The Council reserves the right to end the scheme at any point in time.