



Appendix A

Homes for Ukraine – Landlord Incentive Scheme Revision Proposed Policy

Policy statement:

South Cambridgeshire District Council (SCDC) acknowledges its responsibility to address the pressing humanitarian situation faced by Ukrainian guests 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) guests. 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 guests within South Cambridgeshire, without adding additional stress to the social housing system. The policy seeks to achieve this by incentivising landlords to offer tenancies to Homes for Ukraine guests 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 an initial 6-month tenancy. 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 guests, promoting a welcoming environment while also offering attractive incentives to participating landlords.

Incentives:

The landlord incentive scheme will provide landlords with a financial package for providing their rental property to a Homes for Ukraine guest on a six-month tenancy.

The following is a breakdown of the package on offer to landlords who offer tenancies at the Local Housing Allowance (LHA) rate. LHA is the maximum someone can claim in housing benefit for rent. This package is comprised of three payments:

- 1) A one off “thank you” payment of £1,000 for joining the scheme and offering a six-month tenancy.
- 2) A payment equivalent to six months’ rent at the LHA rate for the property size (table below for rates).
- 3) An additional top up payment to the landlord to compensate them for offering the home at LHA rent, which is lower than they would receive if renting to other tenants privately (rates in table below, which are based on an average rent for the number of bedrooms in the home – see table below).

This approach provides the landlord with security of guaranteed rent up front from SCDC. The tenant will then pay their monthly LHA rent directly to South Cambridgeshire District Council to recover some of the costs of this scheme. SCDC will only recover 5 months from the initial 6-month tenancy, gifting the first month’s rent to help with initial startup costs of a new tenancy.

After the initial 6 months, the landlord can decide whether they wish to sign up for a further 6 months. They are only eligible for the initial thank you payment once, but the other incentives remain the same. SCDC will support tenancies for 18 months



(equivalent to three, 6-month tenancies). After this, the decision will be down to the landlord on what rent they continue to charge. If after 18 months the family vacate the property, the landlord can continue to be offered the same incentives for another Homes for Ukraine group, but they are only eligible for the initial thank you payment once. It will not be paid again.

Landlords who offer a tenancy at market rent will receive:

- a one-off £1,000 thank you payment for joining the scheme.
- one month rent in advance.

If a tenant moves out of a property that has been provided under the scheme at LHA rate, and at least 2 months of the tenancy remain, then the landlord must offer the property to SCDC to house another individual/family for the remainder of the 6 months.

Through this scheme, SCDC will enter into agreements with both landlords and tenants who sign up. The relationship with the tenant will involve SCDC providing a loan to the sum of five months LHA rent. A loan agreement will be completed stating that if payments are not made then they will receive reminders, and if it remains unpaid then enforcement action can be taken as is standard Council policy. A loan repayment agreement will also be signed, confirming the tenant will pay their scheduled amount on the first of the month via direct debit to SCDC until their tenancy ends.

For landlords to receive the financial incentives offered by the scheme, they must enter into an agreement with SCDC that they will provide their property to Homes for Ukraine guests for a minimum of 6 months. No payment will be made until tenants move in.

Table 1: LHA rate 2024

Shared room rate	£121.13 week / £526.34 month
1 bedroom rate	£207.12 week / £900.00 month



2 bedroom rate	£218.63 week / £950.00 month
3 bedroom rate	£258.90 week / £1,125.00 month
4 bedroom rate	£333.70 week / £1,450.00 month

Table 2: difference between Private rent and LHA rates

Number of bedrooms	6 months' private rent (based on average for area)	6 months LHA (based on maximum available housing benefit)	Difference
1 Bedroom	£7200	£5,400	£1,800
2 Bedroom	£8400	£5,700	£2,700
3 Bedroom	£9900	£6,750	£3,150
4 Bedroom	£11700	£8,700	£3,000

Table 3: LHA incentive offered.

Number of bedrooms	6 months' LHA rent (based on maximum available in housing benefit – SCDC will claim back 5 payments from tenant)	Top up payment provided by SCDC to landlord to compensate for offering at LHA rate (based on average rent for area)	One-off thank you payment
1 bedroom	£5,400	£1,800	£1,000
2 bedroom	£5,700	£2,700	£1,000
3 bedroom	£6,750	£3,150	£1,000
4 bedroom	£8,700	£3,000	£1,000



Eligibility criteria:

1. Tenants: The scheme is open to Homes for Ukraine guests who are currently registered and 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 comparable 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 contract of 6 months. Afterwards, if the landlord wishes to keep their tenants, they can opt to offer a further 6-month tenancy. A new offer and acceptance of tenancy means the landlord will qualify for a top-up payment.
5. Renewal process and 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 two payment packages after their initial payment package is received. Additional packages after the first will not include the £1,000 thank you payment.

Application process:

1. Expression of interest: Landlords who are interested in participating in this scheme should contact the Homes for Ukraine Liaison Team through dedicated channels, such as email or the teams phone line. An online form embedded on SCDC website has been created to register interest. The email address is 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 5-10 working days 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.