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Tipsheet for Shelter Actors – Upgrading Substandard and Unfinished Shelters through Occupancy Free of Charge (OfC)

Introduction

Following the household-level assessment of shelter needs of households that have been displaced in the North of the West Bank that was coordinated by the Shelter Cluster in June 2025, partners have agreed to pursue the rehabilitation of sub-standard buildings or completion of unfinished buildings where Internally Displaced Persons (IDPs) are residing, *in exchange for rent-free occupancy or rent reduction for the families.*

This document is to provide shelter actors with guidance on key issues that they must take into consideration while designing and implementing this intervention. While this intervention is possible through a contractor-led approach, this tipsheet will focus on an owner-led approach, where cash grants are transferred to the property owner and they undertake the upgrade works required in agreement with the organization.

Outreach

Based on the [findings from the assessment](#), approximately 20% of IDPs are already residing in unfinished buildings. This is the equivalent to approximately 1,600 households from the total caseload of IDPs. Due to the limited funding available to shelter actors to reach all displaced households in need, partners should undertake a process to target and prioritize the most vulnerable families, who, without assistance, will not be able to improve their living conditions.

Two complementary approaches can be considered under this intervention:

- Upgrading currently occupied buildings targeting unfinished or sub-standard buildings where IDPs are already living, to improve safety, privacy, and adequacy.
- Preparing potential rental units identifying and upgrading unfinished or sub-standard buildings that could be made habitable and subsequently rented to IDPs through an occupancy-free-of-charge (OFC) or reduced-rent agreement

Targeting and Identification

As a first step, through UNRWA, Camps Popular Committees and local authorities.

Eligibility and Prioritization

Shelter actors should consider the following when determining who will be supported through this intervention:

- **Shelter condition** families who are already residing in sub-standard or unfinished buildings. families who are already residing in sub-standard or unfinished buildings.
- **Socio-economic vulnerability:** Prioritize families who have socio-economic vulnerabilities that limit their ability to self-. .
 - Priorities households with persons with disabilities, elderly, or female-headed households, as they often face additional barriers to adequate shelter. For the households found to be living in unsafe structures that cannot be upgraded.
- **Stability of stay:** Prioritize families who do not intend to leave the shelter during the duration of assistance.
 - Prioritize families who will not be able to return to their locations prior to displacement in the medium to long-term due to their homes being significantly damaged or destroyed.

It is not recommended to relocate families from the shelters they are residing into another shelter that is upgraded by the organization as this risks disrupting their lives and removing them from support networks.

Registration Channels

It is recommended that partners identify the following:

- Displaced families who are living in unfinished or sub-standard buildings or shelters.
- Property owners who are leasing or willing to lease their unfinished or sub-standard buildings to IDPs. This also includes owners who are not currently leasing but are interested in participating in the program once suitable tenants are identified.
- Prepare a short introduction about the purpose of communication and outreach, as well as the households or groups who should be targeted.

Registration can be done through multiple channels depending on the capacity of the organization:

- Hotline: utilizing existing complaints and feedback channels to register households or property owners that are interested in participating in the project.
- Weblink: utilizing tools such as Kobo toolbox to allow families or property owners to self-register their interest to participate.
- Direct outreach: if the organization's capacity allows or the organization receives referral from other actors, teams will conduct field visits to identify families living in sub-standard/unfinished buildings to participate in the project.
- Community outreach

Recommendations for Registration

- Keep in mind the abilities of different groups while deciding on which channels will be used for registration. For example, some people who are elderly might not be able to self-register using a link, whether that is due to not having sufficient digital literacy or not having a smartphone. It is therefore recommended to have multiple channels for accessibility for different groups.
- While conditions of the shelter will need to be verified through in-person technical assessments, consider adding questions on the conditions of the shelter to support teams in filtering vulnerable cases. This can

focus on: the availability and conditions of **doors and windows**; condition of the **roof (e.g., no leakage)**; availability and condition of **cooking areas**; availability and condition of **WASH facilities** and condition of external walls. It would also be beneficial to allow applicants to upload a few photos showing the shelter/building conditions through the registration link or other means. These pictures would provide a quick overview of the shelter conditions and help in identifying and prioritizing the most vulnerable cases.

Due Diligence and **Agreements**

As works will be undertaken in buildings, organisations should have the explicit agreement of the property owners before mobilizing resources. This should be documented through an agreement/contract between the owner and the organization. Prior to the signing of the contract, organisations should undertake due diligence to establish that they are entering into an agreement with the *rightful owner of the property*. This can be done through the following methods (from most secure):

- Proof of ownership documents – Kushan, tabu, municipality permits, construction licenses that clearly show that the land and building are in the owner’s name.
- Alternative documents – electricity and water bills in the owner’s name.
- Community verification – undertaken by the organization to verify with municipalities, village councils, community leaders and neighbors the ownership of the property.

After undertaking due diligence, the organizations can proceed with signing the contract and attach the due diligence as supporting documents to the contract. This contract usually specifies:

- Detailed bill of quantity, including technical specifications.
- A detailed scope of work or what is covered by the intervention.
- The obligations of the property owners to make the shelter available during the agreed period are a rent-free or reduced rent lease agreement.
- Expected duration for the completion of the works.
- Payment terms and conditions.
- Obligations of the owner to the tenants and organization, including undertaking the work, to occupy and access the premise and ensure access to basic services (water, electricity and sanitation).
- Applicable laws and dispute resolution.
- Provision that, if the family leaves the property, the owner will allow another IDP family to reside in the property for the agreed period and as determined by the organization. Lease agreement between property owner and tenants to ensure security of tenure. This should be signed with the contract, with the rent-free or rent reduction period starting after the completion of the work.
- Organisations must establish clear and accessible channels for tenants to raise issues if owners violate agreements (e.g., rent charges during rent-free periods, denial of services, or incomplete works). Both tenants and property owners should be informed of these mechanisms during contract signing.

Embedded in this [guidance document](#) from the Shelter Cluster in Iraq (2017) are some examples of agreements. However, it is critical that these are contextualized by the West Bank and the applicable laws in the area.

Developing BoQs and Scope of Work

The Shelter Cluster has developed [minimum standards](#) for shelters that should be adhered to by partners. This intervention focuses on non-structural upgrades only and targets buildings that already possess adequate structural integrity and stability. These standards are to ensure that shelters:

- Are safe, secure and provide privacy and dignity
- Have adequate ventilation
- Provide protection from weather elements
- Have adequate cooking areas, functioning water and electricity service and WASH facilities.
- Are accessible for people with disabilities and elderly family members (for families with disabled or elderly person)

Bills of Quantities (BoQs) should include the necessary items identified through the shelter assessment. As a reference, at minimum, they may include the following:

- External and internal doors
- Windows
- Tiling, which is recommended for floors in toilets and parts of the wall, and wall splash areas in the kitchen
- Water point and counter in cooking area
- Concrete for flooring
- Electrical and lighting works – circuit breaker, wiring and lights
- Internal, lightweight partitions – e.g. plywood or gypsum boards
- WASH fixtures and mixers – basins, toilets, showers, etc.
- Handrails for stairs

Items for water and electricity are recommended to be efficient to reduce consumption (e.g. water-saving fittings, LED lights). Specific items for people with disabilities should also be considered on a case-by-case basis (e.g. ramps, appropriate width of doors, low-level handwashing basins).

After determining what items/materials are necessary, partners should undertake a market assessment to determine the price of the items, material and cost of labour in the areas of operation.

Organisations working on this intervention *should avoid working on structural elements and new construction.*

Transfer Values

Transfer values are determined based on the average amount required to upgrade/complete a shelter. This can differ depending on the size of the shelter or the number of rooms and is subject to periodic revisions to align with market prices, as well as donor requirements.

Upgrading interventions should be linked to the conditions that allow households to remain in the property for a duration of time without increases in rent or for a rent-free period as defined by the organization and agreed with the property owner. As an overall recommendation, the free or reduced rent period should not be

calculated as a strict one-to-one equivalent of the monthly rent. Instead, it should extend the value of the intervention. For example:

- If the average rent is 1,000 ILS/month and the upgrade investment is 3,000 ILS, the rent-free period could be four months (covering 75% of rent value), rather than three months.
- This approach adds value to the intervention by maximizing the benefit for tenants while compensating owners fairly.

Payments

Per best practice, payments should be transferred in installments to ensure that work is undertaken and allowing for quality control by the organization. Below is normal practice, but it is up to each organization's capacity and resources to arrange the installation. The following are recommended:

- 1st installment – 30% of the total value upon signing the contract and to provide property owners with the cash required to start.
- 2nd installment – 50% of the total value upon completion of 75% of the works.
- 3rd installment – remaining 20% of the total value upon completion of 100% of the works.

Progress should be tracked against the agreement agreed upon BoQ.

Handover

Upon completion of the works, property owners should be asked to sign a work completion certificate which indicates that all the requested works have been completed and all the payments have been transferred. *The start date of rent-free or rent reduction period begins after the completion of the work.*

Monitoring

There are two types of monitoring that should be undertaken by organisations:

- Monitoring of occupancy to ensure that the family is still living in the shelter, there is no increase in rent, the shelter is secure, and the property owners are not claiming additional rent. Organisations should also be prepared to support households and property owners to resolve disputes that might arise. This can either be through mediators as specified in the contract or legal aid providers.
- Post implementation monitoring that monitors the work that was done, process and outcomes of the project.

It is always recommended that organisations establish complaints and feedback mechanisms and that participants are well aware of them and aware of how to raise issues.