

Guidance for Rental Subsidy Programmes

Updated on August 2019

This document guides the use of rental subsidies as one of the core shelter responses to the internal displacement crisis in Yemen. The note should be used as the main reference when providing support through rental subsidies.

Context

Yemen is still in a state of emergency after a civil conflict broke out in March 2015. There are ongoing conflict and large-scale military actions, which hamper humanitarian actors from accessing the affected population and addressing basic needs, including water, food, and shelter. Some displaced population are forced to live with relatives, friends, or in collective shelters where living conditions are dire and pose many protection concerns. Many choose to rent an apartment or a house where they can have a safe shelter. However, the affected population cannot afford the ever-increasing costs of rent as their socio-economic situation is severely affected and on the verge of collapse with having completely lost any source of income due to displacement.

Description

Rental subsidies are a means of basic financial assistance provided to vulnerable households to ensure their access to a safe shelter for a limited period. The support provided does not fully cover rental costs but a partial amount as a short term solution until the family can self-sustain.

Objective

The main purpose of using a rental subsidy is to address emergency shelter needs and to allow very vulnerable persons of concern to have access to the adequate and dignified dwelling. It is a time-bound intervention until a more sustainable shelter solution is realized, and it should not be considered a durable activity.

Identification of Beneficiaries:

Step 1: Vulnerability of the HH must be established

Households to be provided with cash assistance are to be identified through in-depth assessment at the household level. A needs assessment is required to ensure eligibility to receive a rental subsidy.

The following categories of IDPs are considered vulnerable groups.

No.	Vulnerable Groups
1	Unaccompanied and separated children under 18 years of age.
2	Unaccompanied elderly persons of concern over 60 years of age, who lack support from their community.

3	Single parent taking care of a child with a disability.
4	Single women combining an additional vulnerability element, such as medical condition.
5	Persons with disabilities, who due to their disability cannot support themselves, those, include persons with physical and mental disabilities.
6	Couples with one spouse bedridden or suffering a medical problem which can prevent the other partner from work.
7	Single pregnant women can be assisted in starting their 7 months of pregnancy.
8	Persons with serious health problems who, because of their health situation, cannot support themselves or their families.
9	Women with special needs who cannot support themselves or their families. This includes women without any male support or any traditional family protector, women with serious legal problems, women who face or have faced sexual and gender-based violence, women facing threat to their physical safety, women stigmatized, and rejected by their community because of cultural, domestic, social, problems, women victims of torture.
10	A household headed by minors.
11	Survivors of Sexual Gender-Based Violence.
12	Persons with psychological or mental problems.

Following the identification of vulnerable IDP families, an analysis is needed to identify the family's need for rental support. The below provides the basis of this analysis. A minimum assessment of shelter adequacy is also required to ensure the privacy, dignity, and safety of the rented accommodation.

No.	Identification of Need for Rental Support
1	Does the family live in rented accommodation?
2	If yes, does the family have a source of income and how much
3	What is the families' source of income?
4	What is the head-of-household income-generating skill?
5	How stable is your income source, if any?
6	On a monthly basis, what does the family spend the most amount of money on?
7	On a monthly basis, what does the family struggle with paying most?
8	What is the monthly amount your family spends on rental costs?

Step 2: Further requirements

In addition to selection based on targeting criteria outlined above, the recommended conditions on beneficiary families to receive this assistance are as follows:

- Willing to enter into a bilateral agreement between the beneficiary household and implementing organization, detailing the assistance (see sections below)
- Be monitored at least every two months to ensure the family is still living in the same place (see section 5)

- Avoid creating inflation of rent amounts in the project areas.

Duration: The assistance duration is based on needs and expected duration of displacement with an average between 6-12 months. The rental subsidies can be extended for more than six months if the need persists.

Pay Scale

Pending further market assessments, the following scale is based on semi-structured key informant interviews, direct observations, feedback from partners and other agencies implementing similar activities, and Cluster recommendations on the use of cash assistance for shelter purposes:

An average of USD 100 per month x number of months

This is subject to adjustments according to rental market assessment reflecting the situation, operational context, and available resources.

It is strongly recommended that monthly subsidies be transferred as opposed to lump-sums through a single transfer. This is a minimal risk mitigation measure with regards to spending the rental subsidy for other purposes.

Given that governorate market assessments remain insufficiently available, partners are strongly encouraged that previous to the roll-out of the cash subsidy intervention, a rental price verification is carried out in the area of intervention. The assessment methodology can vary, and guidance is available by contacting either the Shelter Cluster and referring to the market assessment that has been rolled out in major parts of the country. The cluster encourages partners to submit a brief report of the findings to the coordination team.

Disbursement Condition (including legal agreements)

In Yemen, most lease arrangements in the private rental take place without a formal lease agreement. Therefore, a formal lease agreement with the owner cannot be requested as a supporting document. In place of this, it is recommended that a bilateral agreement between the beneficiary household and implementing organization (or similar agreement) is signed, detailing the conditions of the assistance, including the provision of monthly payments, and ceasing of payments if beneficiaries do not adhere to the requirements of the assistance or misuse funds.

Disbursement Modality

The disbursement modality differs from one location to another. In some settings, cash may be preferred using banking transfers or money exchange shop transfers (i.e. AlKurami transfer service). Traditional financial management systems may also be an appropriate option in some contexts, as long as they have been vetted for safety and security.

To the extent possible the cluster partners will handle financial transactions directly.

Partners will also:

- Identify and communicate beneficiary lists as needed
- Organize details related to receipt of payment and verification of receipt of the transfer
- Ensure HLP considerations and bilateral agreements
- Monitor impact and report lessons learned

Recommendations for successful cash-transfers include taking measures to ensure:

- **Transparency:** Ensuring that the relevant public has access to information is essential. Selection criteria and processes, distribution amounts, and schedules.
- **Consistency:** Partners must commit to a common strategy that includes selection criteria, cash amounts, distribution schedule, and clarify which decisions are made if changes are required.
- **Inclusion:** Reducing bias in aid delivery requires a critical approach to targeting that takes seriously the issue of exclusion, robust grievance, and redress mechanisms that solicit a diversity of opinions.

Step 3: Reporting and Monitoring

Details pertaining to the identification of cases, disbursement of funds, and all related statistics are to be collected. It is highly encouraged that partners develop a post-distribution monitoring system of cash assistance which is to be shared as required. Post-distribution monitoring is also to be conducted directly through field visits.

It is strongly recommended to undertake at least one home visit per household at least every two months to monitor shelter conditions and protection risks, which constitutes a condition for the prolongation of a family's participation in the program. Special attention should be paid to the protection component of the visit (minimally as per the vulnerability identification outlined above) in the and monitoring of shelter and protection concerns. The visit should verify the access to running water, # of families sharing a toilet/shower, insulation, waterproofing, heating system, occupancy ratio, household sources of income, relations with the landlord, regularity of utility bills/ rent payments, vulnerability specific for particular family issues (medical assistance, children at school, etc.). In particular cases (if the household moves to new accommodation or there are particular risks). The program may be stopped if beneficiaries do not comply with the rules and requirements in each individual case as a result of a home visit. Additional home visits could be undertaken if beneficiaries are deemed to be misusing the assistance provided. During the monitoring visits, monitors can conduct consultations on future shelter arrangements for beneficiaries and advise on self-sustainability. Furthermore, an outcome of the monitoring visits should be the referral of beneficiary families into other assistance programs as deemed necessary and available – including, for example, programs designed to support families' access to fuel/heating over the winter period.