

Design and Implementation

Once assessments have been conducted, detailed design of rental programming requires an analysis of risks and response options. This tip sheet describes that analysis and provides guidance on implementing the selected rental response options.

1. RENTAL RESPONSE OPTIONS ANALYSIS

Rental Response Options Analysis brings together information collected during the needs assessment, market, contextual (Tip Sheet 1) and risk analyses to identify how the needs of the affected population can most effectively be met, along with identifying an organisation's capacity to implement the programme and other stakeholders who can complement the response.

Key Considerations

The following should be considered prior to carrying out the Response Options Analysis:

- a. Consider rental market interventions as one of several possible shelter response options.
- b. Consider a population's short, medium- and longer-term needs for different stages of a crisis.
- c. Identify a viable exit strategy, which aligns with programme objectives.
- d. Prepare to proactively use a protection and Do No Harm lens. Be mindful of social cohesion with host communities.

Clear steps have been identified to analyse and plan rental interventions. These involve the analysis of the situation, needs and opportunities, identifying barriers and risks, choosing options and defining how to implement them (Figure 1).



Figure 1: Steps in the process of conducting a Rental Response Options Analysis

Step 1: Situation and Needs and Step 2: Opportunities

Refer to [Tip Sheet 1: Assessment and Analysis](#) for guidance on Steps 1 and 2.

Step 3: Barriers and Risks

Risk analysis is important in all programming and encompasses protection, programmatic, operational, and contextual risks. Organisations must be satisfied that they can effectively mitigate the identified barriers and risks in their rental market intervention. Table 1 outlines the main risks and barriers related to rental programming. The table is not exhaustive, and organisations will need to tailor their analysis to be context specific.

Table 1: Risks and Barriers Relevant to Rental Programming

	Rental Market	Access to adequate housing	Protection, Gender and People with Specific Needs	Housing, Land and Property
Risks	<ul style="list-style-type: none"> • Inflation as a result of assistance • Additional, unforeseen charges • Fraud between landlord, tenant and/or middlemen 	<ul style="list-style-type: none"> • Overburdened services¹ in rental neighbourhoods • Households cannot find adequate property • Households spend assistance on other priorities 	<ul style="list-style-type: none"> • Exposure to security threats • Exploitation and abuse by landlords • Increase of social tensions 	<ul style="list-style-type: none"> • Forced evictions • Illegal land/property acquisition to benefit from assistance
Barriers	<ul style="list-style-type: none"> • Discrimination and biases • Lack of access to market information for affected population 	<ul style="list-style-type: none"> • Discrimination and biases • Landlords make available unhealthy units 	<ul style="list-style-type: none"> • Unavailability of alternative options such as hosting • Culture or legal system does not allow women to sign or agree rental contracts 	<ul style="list-style-type: none"> • Inability to pay rent at end of programme • Lack of durable solution at end of programme • Complex tenure systems, with outdated or no registries

Step 4: Response Options

Response options are a set of possible solutions that could address the needs identified through the analysis conducted in Steps 1-3. These options need to be operationally feasible and reduce any potential harmful side effects. At this stage, it will be necessary to define and compare different modalities and transfer mechanisms, and their acceptance by affected populations and local and national authorities. The main Cash and Voucher Assistance (CVA) response options are:

- 1. Multipurpose Cash Assistance (MPCA):** One-off, or regular unconditional cash assistance, based on the Minimum Expenditure Basket (MEB) and designed to meet basic needs. This option does not limit use of cash by the households to shelter only (See Section 2.2).
- 2. Cash-for-Rent or Rental Subsidies:** Conditional cash transfers for vulnerable households to help them make rental payments.
- 3. Occupancy Free of Charge (OFC) programmes:** Organisations pay landlords to make certain improvements (including completing unfinished buildings) to their properties, or contract the work directly, in return for

¹ For example, education, health care, water, sewage, electricity etc.

households staying in the property rent-free (or at a reduced rent) for a certain period (See Section 2.3). Further considerations for these response options can be found in the main *Learning and Good Practice in Rental Interventions* document and [Table 4 of this Tip Sheet](#).

In addition to directly supporting rent, a range of **complementary interventions** will be essential to respond to the specific barriers and challenges identified during the Response Option Analysis process. This might include: integrating livelihoods interventions; sharing information on the rights and responsibilities of landlords and tenants; advocacy to strengthen laws/policies impacting the rental market; and supporting integration into host communities or promoting social cohesion. Example complementary interventions are provided in [Table 5 of this Tip Sheet](#).

Step 5: Organisational Capacity and Collaboration

Rental interventions inherently involve multiple sectors as they are more likely to occur in urban settings. They require deeper technical knowledge (e.g. including Shelter, Cash and Voucher Assistance (CVA), Livelihoods, WASH, and Protection), and a strong exit strategy that links to durable solutions. At times, resources to support rental programmes may come from several organisations and strong collaboration and coordination is required. [CaLP's Organisational Cash Readiness Tool \(OCRT\)](#) can support the process for determining organisational capacity to implement CVA.

2. PLANNING, DESIGN AND IMPLEMENTATION

Once organisations have decided what rental options are appropriate to meet the shelter needs of the affected population, they move to the programme planning and design stage.

2.1 Targeting

Best practices and recommendations for household-level targeting, adapted to urban contexts are outlined below:

1. Targeting Process

To address the intricacy of targeting in urban environments, organisations should aim to:

- ✓ **Include both local and displaced households** to reduce tensions and conflict between them and to recognise that there are often few socio-economic differences between the two.
- ✓ **Understand different communities, their structures**, how they are formed and how they identify to ensure community-led targeting processes are accurate and appropriate.
- ✓ **Strike a balance between the accuracy of the process and its transparency/ease-of-understanding** vis-à-vis the vulnerable population.
- ✓ **Establish a verification process that can quickly and transparently identify exclusion and inclusion errors** and rectify them.
- ✓ **Adopt a settlements approach**, which aims to improve the wider community environment alongside specific rental assistance.
- ✓ **Include a range of stakeholders in the targeting process** where possible.

2. Targeting Criteria

It is essential that targeting criteria used to select households for support reflect their shelter vulnerability, socio-economic vulnerability and other relevant characteristics. Sample targeting criteria include:

Table 2: Possible Targeting Criteria for Rental Interventions

Shelter and Living Conditions ²	Socio-Economic Criteria
✓ Safety and security, within their existing shelter and in the wider settlement	✓ Access to livelihoods, including type and frequency of employment
✓ Space and living conditions	✓ Monthly income, expenditure, and debt levels, including any seasonal variation
✓ Access to services and utilities, including water, sanitation, heat, electricity, work etc.	✓ Proportion of monthly income spent on rent or shelter ³
✓ Tenure security	✓ Proportion of monthly income spent on food
	✓ Assets, such as household items available
	✓ Receipt of other formal or informal assistance
	✓ Socio-physical vulnerability and protection concerns

² Organisations should use contextually adapted Sphere standards, or other local standards where they exist.

³ Expenditure of more than 30% of monthly income on rent suggests that a family is *rent-overburdened* and will struggle to meet their other basic needs.

2.2 Cash and Voucher Assistance (CVA) for Rental

Practitioners should take into account the [Key Considerations](#) of the Rental Response Options Analysis when designing any rental intervention. For more information, explore the [Learning and Good Practice in Rental Interventions document](#) and the [Key Resources section](#).

Multipurpose Cash Assistance (MPCA)

Extensive research has shown that multipurpose cash transfers have limited impact on shelter outcomes because households usually prioritise other more urgent needs such as food. For improved shelter outcomes, it is best to include some conditionality, or alternatively a complementary technical assistance programme for those requiring support.

Cash-for-Rent or Rental Subsidies

Conditionality refers to prerequisite activities or obligations that a recipient must fulfil in order to receive assistance⁴. In rental market interventions conditions can be used to improve:

- a. **Financial efficiency:** to ensure that cash is spent on rental or shelter-related costs.
- b. **Programmatic efficiency:** to ensure that shelter or other sectoral objectives are achieved, or activities completed.

Conditions are determined by the context analysis and the programme objectives, and might include:

- Proof of this - or last - month's rent being paid – sometimes can apply retroactively;
- Proof of context-appropriate rental agreement – not necessarily a formal written contract;
- Participation in financial planning or household budgeting sessions;
- Participation in training on tenure issues, rights and responsibilities;
- Participation in community projects and events;
- Attendance at language classes, to access work opportunities or promote integration;
- Progress on agreed improvement/upgrading works, as part of an OFC programme.

Transfer Value, Frequency and Duration of Assistance

Determining the *Transfer Value, Frequency and Duration* for rental assistance should consider:

- **The average cost of rent for a property in a given area/neighbourhood**, which meets minimum agreed quality standards, adjusted for size of household where necessary.
- **The cost of household utilities**, if necessary.
- **Any advance payments or deposits** required by local norms and laws.
- **Any hidden or informal costs** that the target group may need to pay, although decisions about whether or not it is appropriate to pay these may vary by context and organisation.

⁴ CaLP (2018) *Glossary of Terminology for Cash and Voucher Assistance*

- **The socio-economic vulnerability of the population**, including the percentage of their monthly income spent on rent, and seasonal variations in income, to calculate the percentage of rent and/or utility costs to cover.
- **Costs associated with finding, securing and renting accommodation**, including opportunity costs where necessary.
- **Coordination** with other organisations, including government, implementing similar programmes. The transfer value, among other things, should be aligned where possible to avoid conflict.
- **'Keep the Change'**: instead of providing cash based on the actual cost of each household's rent, a standard amount can allow households room to negotiate, can reduce rental inflation and reduce the risk of manipulation.
- **Local norms, security and preferences**: frequency of assistance (e.g. monthly, quarterly, yearly) should consider local norms, as well as security risks and programme participant preferences.
- **Exit strategy**: the duration of assistance should be determined by programme objectives and timeframes, and ensure viable options for households once assistance finishes.

Cash transfers would normally be made to the programme participant, rather than the landlord, unless there are specific reasons why this is not possible or appropriate. See [Learning and Good Practice in Rental Interventions document](#) for specific considerations on this.

2.3 Occupancy Free of Charge (OFC)

Occupancy Free of Charge (OFC) or similar programmes oblige the completion of agreed works and improvements, prior to occupation by the tenants. The objective is to bring the rental unit to the expected standards. The value of improvements should be based on an agreed Bill of Quantities. This could be individual or based on an average estimation of works across several units, depending on the scale of the programme. The OFC period and the associated cash transfer is usually equivalent to the number of months resulting from calculating the cost of improvements divided by the monthly rental value.

Often organisations provide rental assistance to households who are already tenants. In such cases, it is important to examine the need and possibility of improving the rented unit to avoid disruption and overall negative impact of the household moving elsewhere. See [Key Resources](#).

2.4 Coordination

Rental market interventions can prove challenging to coordinate, not only because they are often part of a larger multisectoral response, but also because they often take place in complex urban environments. In these situations, identifying who to engage with and how to do so can be key to the success of the programme. Useful resources are available in the [Key Resources](#) below.

2.5 Identify Secure, Appropriate Rental Accommodation

Organisations may adopt a **household-led** or an **organisation-led approach** to identifying rental housing units. The approach chosen should consider the barriers and potential risks.

Table 3: Comparison of Household-led and Organisation-led Approaches

	Household-led	Organisation-led
Benefits	Mirrors how people would 'normally' search for housing; gives the family the decision-making power; and may make negotiating their rent easier. They are often able to find properties that the organisation cannot – particularly on the informal market.	Helps overcome certain barriers from landlords such as discrimination and bias towards the affected population.
Drawbacks	May be difficult for the most vulnerable groups (e.g. people with physical disabilities, female-headed households, etc) and increase protection risks.	Risks skewing the market and contributing to rent inflation: landlords may be opportunistic and increase their rental prices.
Steps	<ol style="list-style-type: none"> 1. Household identifies housing unit which meets requirements and their needs. 2. Organisation verifies the property against agreed minimum standards. 3. Organisation implements one of the following: <ol style="list-style-type: none"> a. If property meets standards, rental assistance can start. b. If property does not meet standards, household is asked to identify alternative property. c. If property does not meet the standards and landlord agrees to improvements, establish a deadline and/or deliver assistance as programme allows. 	<ol style="list-style-type: none"> 1. The organisation identifies and assesses rental properties which meet standards, through neighbourhood visits, newspaper and local advertising, social media platforms, real estate agents, etc 2. Organisation confirms the details of the property and establishes the landlord's interest in renting to the affected population 3. Organisations establish a platform (e.g. website, directory) to match potential tenants and landlords. As possible, tenants can select a property which best meets their needs.

2.6 Monitoring Housing Quality

Organisations need to balance the time and resources needed to conduct technical assessments to determine housing quality and the need to do so. Technical assessments by an engineer or qualified professional will be essential where the structural safety of a property is in question, or where the property has been exposed to – or is at risk of – natural disasters. However, in other cases non-technical staff should be able to assess the property against minimum standards with appropriate orientation and tools. See [Key Resources](#) for tools on assessing housing quality.

Even when a property is not initially in poor condition, landlords may allow properties to deteriorate over time. The risk of such deterioration increases when tenants are on a very low income, when units are in the informal sector, or where tenants do not have a lease. Landlords may also cut off access to services, such as water, or threaten eviction. Organisations should therefore ensure that the landlord and tenant's responsibilities for maintenance is detailed in any rental contract and monitor changes in the quality of rental housing over the course of the programme, so that any issues can be addressed in a timely and appropriate manner. See Tip Sheet 4 for more information on monitoring.

2.7 Programme Exit Strategy

Organisations should identify viable exit strategies. The most common cover the following:

- Improving household resilience and financial independence;
- Referral to other forms of support, including government safety-net programmes; or
- Alternative, more durable housing solutions.

See Tip Sheet 5 for more detailed information.

3. KEY RESOURCES

Response Options Key Resources and Tools

Mohiddin, L, Smith, G and Phelps, L. (2017) [Urban Response Analysis Framework \(URAF\). Guidance note for humanitarian practitioners. IIED, London.](#)

[CaLP Organisational Cash Readiness Tool](#)

[ERC \(2017\) Response Options Analysis and Planning \(ROAP\). CaLP:](#) Although developed specifically for multi-purpose cash assistance, the ROAP provides a good overview of the response options analysis process.

[UNHCR \(2017\) Cash Feasibility and Response Options Analysis Toolkit.](#)

Julia Lewis (2020) [Risk Matrix for Rental Programming.](#)

Planning and Design Key Resources and Tools

Targeting

Cross, T, and Johnston, A. (2011) [Cash Transfer Programming in Urban Emergencies: A Toolkit for Practitioners. CaLP](#)

Mohiddin, L. and Smith, G. 2016. [A Review of Needs Assessment Tools, Response Analysis Frameworks, and Targeting Guidance for Urban Humanitarian Response. IIED Working Paper](#)

Smith, G, Mohiddin, L and Phelps, L (2017) [Targeting in urban displacement contexts. Guidance note for humanitarian practitioners. IIED, London.](#)

Cash and Voucher Assistance

[UNHCR \(2017\) Cash Delivery Mechanism Assessment Tool](#)

MercyCorps (2018) The Delivery Guide: Scoping the Humanitarian Payments Landscape. ELAN

Coordination

Basedow, J, Westrope, C and Meaux, (2017) [Urban stakeholder engagement and coordination. Guidance note for humanitarian practitioners. IIED, London](#)

International Rescue Committee (2016) [Social Network Analysis Handbook](#)

Housing Quality

UN-Habitat/OHCHR (2009) [The Right to Adequate Housing. Human Rights Factsheets, No. 21.](#)

Sphere Association (2018) [The Sphere Handbook: Humanitarian Charter and Minimum Standards in Humanitarian Response, fourth edition.](#)

Various examples of housing quality assessment checklists available at: [Rental Market Intervention Resource Library.](#)

Table 4: Overview of Response Options for Rental Interventions

Response Option / Activity	Description	Response Phase	For whom might this be useful?	Other Considerations
Multipurpose Cash Assistance (MPCA)	One-off, or regular unconditional cash assistance, based on the Minimum Expenditure Basket (MEB) and designed to meet basic needs.	Emergency (c. 0-3 months)	Existing tenants, who face immediate threat of eviction, or other protection concerns due to the non-payment of rent.	Should be combined with other technical support options, if required.
Cash-for-rent or rental subsidies	Conditional cash transfers for vulnerable households to help them make rental payments.	Emergency/transition (0-12 months)	Existing tenants Households for whom a transition to rental accommodation would improve living standards, for example, those living in camps. Households awaiting a transition to more durable or permanent housing solutions. Populations with special protection concerns (e.g. SGBV survivors)	Should be combined with other support, to address holistic shelter needs Conditions – such as rental receipts, or a rental contract – can help to ensure that cash assistance is spent on rental payments or can be conditional on housing meeting agreed standards. Conditions can also be to meet multisectoral needs (e.g. attendance at trainings). Cash-for-rent programmes can also be combined with support for tenants to make minor repairs to properties themselves (for example, with sealing off or winterisation kits).
Occupancy Free of Charge (OFC) programmes	Organisations pay landlords to make certain improvements to their properties, or contract the work directly, in return for households staying in the property rent-free (or at a reduced rent) for a certain period.	Transition (3-12 months+)	Households who are tenure insecure and living in sub-standard housing. Contexts where rental housing is expected to remain a longer-term shelter option for the affected population, given the investment required.	Many landlords are vulnerable themselves and rental payments are a crucial source of household income. Asking them to provide accommodation for free is therefore not always realistic. Organisations should examine the appropriateness of such an intervention and consider regular monitoring. Should be combined with other support to address longer-term shelter needs.

Table 5: Examples of Complementary Activities for Rental Programming

Aspect	Examples of activities that can address barriers to
Affordability	<ul style="list-style-type: none"> • Financial assistance (MPCA, CfR, cash-for-utilities, OFC) • Material assistance (provision of water and energy saving fitting) to reduce utility costs • Livelihood support, or links to livelihood programmes including home-based activities • Training and on-going support on financial planning and household budgeting • Information sessions about the local rental housing market
Habitability	<ul style="list-style-type: none"> • Material assistance to improve the housing conditions (OFC, rehabilitation grants, etc.) • Training/information sessions on minimum housing standards quality standards and considerations for tenants • Training for construction workers on building standards and practices • Advocacy to improve national building codes • Technical and non-technical assessment of rental housing • Neighbourhood-wide sanitation campaigns
Tenure Security	<ul style="list-style-type: none"> • Awareness raising and information sessions with landlords and tenants on parties' rights and responsibilities, local and national tenancy laws and regulations, agreements • Strengthening the formalisation of tenancy agreements where relevant • Advocacy to strengthen tenant rights in laws/policies • Referral to/strengthening of dispute resolution mechanisms • Provision of legal advice and support

Aspect	Examples of activities that can address barriers to
Availability of services, facilities, infrastructure and materials	<ul style="list-style-type: none"> • Financial or material assistance to improve water supply, electricity, heating etc • Improved household and neighbourhood sanitation programmes • Solid waste disposal initiatives • Neighbourhood improvement programmes, including community-led projects • Local livelihood initiatives, including home-based activities
Accessibility	<ul style="list-style-type: none"> • Financial or material assistance to adapt properties for those with specific needs • Establish platforms/systems to match landlords with tenants
Cultural Adequacy	<ul style="list-style-type: none"> • Repairs and upgrading to ensure properties meet certain requirements • Establishing platforms to link up tenants and landlords • Activities to improve social cohesion/integration in host community (language classes, buddy systems, meet and greets, community social activities) • Information sessions on cultural norms and expectations