

# Lead Tenancies Scheme

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It is important, both for owners of empty properties in Scotland and people in housing need who might be interested in renting a particular empty house, to realise that there are some grant options which are potentially available to encourage private landlords to release their empty houses so that they can then be renovated and let out at affordable rents to local people.

It has been estimated that there are around 600 empty properties in Shetland and, although many of them may not be good realistic prospects (e.g. unsuitable location, very high costs of improvement work required, etc) for renovating and renting out, it is clear that some have good potential for being brought back into residential use by people in housing need.

The Lead Tenancies Scheme was launched by Scottish Homes (the Scottish national housing agency) in 1994, and is designed to bring suitable empty properties back into good condition and residential use.

The scheme offers what can be a sizeable renovation grant and works like this:

- a private landlord lets a property to a registered Housing Association (the 'lead tenant').
- if the house or flat needs improvement work then the lead tenant - the Housing Association - can get a Scottish Government grant of up to £48,700, depending on how many years lease the landlord is willing to give the lead tenant (the grant is worth £2,435 a year to the owner for every year of the lease granted up to a maximum of 20 years).
- the Housing Association then sub-lets the renovated house or flat to an applicant on their waiting list on a Short Scottish Secure Tenancy (of 6 months duration but renewable) at an affordable cost.
- the lead tenant (the Housing Association) remains legally responsible, however, for the regular payment of rent to the property owner and the proper management and maintenance of the house and its return in good condition at the lease expiry date.

The Lead Tenancies Scheme has been little used so far in the Highlands and Islands. There are however 2 properties in Shetland under the scheme. The scheme does offer some potential, depending on:

- Hjaltland Housing Association's interest in becoming a 'lead tenant' of a suitable property
- suitable private properties and willing private landlords being identified.

Anyone interested in finding out more about the possibilities of the Lead Tenancies Scheme in Shetland should contact Hjaltland Housing Association:

Hjaltland Housing Association  
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**Shetland Islands  
Council**



This information sheet is a reproduction of the **Housing Options Guide – Renovating Private Properties for Renting Out – Lead Tenancy Scheme** section.

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