

## **Consultation Information Pack: Housing Allocations Policy Review Phase 2: comment on the draft policy**

**(To be read alongside the draft housing allocations policy, housing register / tenant FAQs. Note there is a paper version of the survey if you are unable to respond online.)**

Following our phase 1 consultation in early 2025, we have reviewed all the feedback and been working with our partners in Durham Key Options to develop a new housing allocations policy, a draft of which is available on this page.

### ***What is happening now?***

We'd like your views on the draft policy. In particular, we'd like to hear comments about the following which have been reviewed and updated:

- The proposed qualification and disqualification rules for the housing register
- A proposed new banding structure for housing needs
- Maintaining balanced and sustainable communities

Please note, this is a draft policy and nothing will change for housing register applicants at this point. Responses to the proposals in the policy will be analysed and the policy will be amended if necessary. We therefore encourage you to give your feedback.

### ***What to do now?***

Please read the draft policy and, most importantly, the supporting information, outlined below, which explains how the policy has been developed and what has changed.

### ***How has the new policy been developed?***

The new policy has been developed from the following:

- A detailed review of feedback received from residents, tenants, housing applicants and partners in the phase 1 consultation which took place early in 2025.
- The housing challenges we face in County Durham including the shortage of social housing stock, affordability of private rented accommodation and the practicalities of dealing with the impact of this for those in housing need.
- Other policy changes at both a local and national level.

### ***Overview of the current challenges***

We currently have approximately 10,000 people on our housing register but only 3,000 lets per year. The number on the register has increased by

approximately 25% since 2020 as demand for social housing has increased due to cost of living pressures and there being less cheap private-rented accommodation.

There are also less lets available as people stay in their tenancies longer. With annual lets down from 5,000 ten years ago to 3,000 now, waiting times are much longer especially for people in Bands 3 and 4.

There are 5,000 people in Bands 3 and 4 who currently have little chance of securing a social tenancy. This creates frustration for the people who are in that situation. Being able to offer more properties to those in bands 3 and 4 will allow us to meet our aim of achieving balanced and sustainable communities.

### ***Draft housing allocations policy and supporting information***

There is a copy of the full draft policy in this pack.

Before responding, please also read the supporting information, outlined below, which describes the issues highlighted in phase 1 of the consultation, summarises feedback and outlines how the policy has been updated to reflect this.

### ***Overview of the consultation process***

Between 15 January and 12 March 2025, we ran a public consultation and engagement exercise to help develop the new policy. We asked you about several key issues including:

- Qualification and disqualification rules such as having a recent local connection, standards of behaviour, introducing an income cap, what is meant by being adequately housed (band 4).
- The priority of housing needs including downsizing to make best use of housing stock, priority of those already homeless v those at risk of homelessness, review of the medical assessment process, priority of victims of domestic abuse.
- Maintaining balanced and sustainable communities to ensure a mix of different tenants in neighbourhoods across the county.

We also asked about a draft vision, objectives and outcome for the new policy.

The consultation was promoted to:

- our residents via press and social media
- current tenants via our housing partners' websites and other channels, their resident groups' face to face meetings.
- around 10,000 people who were on the housing register at that time were contacted directly
- we held two public online events and an elected members session
- we attended 13 AAP (now Local Network) meetings and 8 other partnership meetings to gather feedback

638 people responded to the survey, of those approximately 50% were on the housing register around the time of the consultation.

We also noted all meeting discussions and received comments via email and social media, all of which were considered.

To make sure we heard from a wide range of voices, we worked closely with a range of partners and networks including:

- County Durham Partnership members including health, police, fire and voluntary sector partners
- Our 14 Area Action Partnerships (now Local Networks),
- Registered Providers (the four main DKO partners plus 15 others who provide social housing in County Durham)
- Registered Provider Tenant Groups
- Supported Housing providers
- Our Homeless Prevention and Public Health Teams
- Elected Members at county, town and parish level
- Support networks for particular groups such as domestic abuse victims, the homeless, care leavers, probationers/offenders, the Disability Partnership and our Youth Council for 11 – 19 year olds

### ***Draft vision, objectives and outcome***

The suggested vision, objectives and outcome were strongly supported by 75% of respondents and have only been very slightly amended to include reference to making best use of existing stock and reference to DKO partners.

The full vision, objectives and outcome is set out in the draft policy in section 1, page 2.

### ***Proposed changes relating to qualification and disqualification from the housing register***

The main rule changes are outlined below. The full information on qualification and disqualification is set out in the draft policy in section 2, pages 7 to 15.

#### **Recent connection to County Durham (rule 2)**

##### Background

Our current allocations policy allows anyone in the UK to join our housing register providing they meet the other qualification and eligibility rules.

In the phase 1 survey, 80% of respondents 'strongly agreed' or 'agreed' with the suggestion that we should introduce a requirement for people to have a local connection to County Durham to qualify for the register.

##### Outcome

The new allocations policy introduces a local connection rule so that people must have lived in County Durham for a minimum of two years before they can join our housing register.

The new rule also covers those people employed in County Durham for a minimum of six months (where their current address is too far for a commute) and those with

carrying responsibilities (the person needing care must have been resident for at least two years). If they do not continue to live / work in County Durham, they would be removed from the register.

There are some exemptions to the recent connection rule including for care leavers, domestic abuse victims, Armed Forces veterans and their family and people with a homelessness connection.

### **Retention of Band 4 - whether those deemed 'adequately housed' can join the register (rule 7)**

#### Background

We asked in phase 1 whether closing the register to those people in Band 4 (currently deemed 'adequately housed with no housing need') would help reduce the number of people on the register, removing the administration time of processing applications, and prioritising homes for those that were in greatest need.

The feedback was that people who are deemed 'adequately housed' are not necessarily in 'no need'. They could be people who are adequately housed in the private sector but struggling with the cost of living. They could also be people already living in a social house, but who want to move to be closer to employment or family. Both the public and partners strongly supported the retention of Band 4, with concerns that the removal may have unintended consequences. 57% of survey respondents were in support of keeping Band 4. This rose to 69% amongst those who were already living in social housing.

#### Outcome

The new policy proposes the retention of Band 4 and re-categorises people as being in 'Lower Housing Need' within the banding system. However, it is proposed to monitor those on the register by carrying out annual checks and removing people who are not active and have not bid in the previous 12 months without good reason.

Given that people in Band 4 still have little chance of securing a tenancy, please see the section on mixed and balanced communities, below, for potential opportunities.

### **Disqualification issue – unacceptable behaviour / rent arrears (rules 3 and 4)**

#### Background

We asked if a review of unacceptable behaviour was required and what type of unacceptable behaviour would result in disqualification. Currently 10% of applicants are disqualified annually.

Two-thirds of survey respondents agreed that a review was needed, supporting changes to allow applicants who improve behaviour over time to join the register.

Offender and homeless advocates wanted a review of behaviour, rent arrears and payment plans. Our Registered Providers (RPs), however, expressed concern that relaxing disqualification rules could lead to tenants who may not pay rent or cause nuisance and damage.

## Outcome

In the new policy, we have created separate disqualification rules for unacceptable behaviour and rental arrears to recognise that being in debt is distinct from poor behaviour.

### *Unacceptable behaviour*

The list of unacceptable behaviour has been reviewed. We have proposed that if applicants can demonstrate a suitable change of behaviour for no less than 12 months, their access to the register could be re-considered.

### *Rent arrears*

We have revised the rent arrears section to make it simpler and stated that anyone wanting to join the register who had a debt history in the previous six years, must show evidence of meeting a repayment plan on any debt from a minimum of three months, depending on level of arrears.

## **Financial cap (not added to rules)**

### Background

We asked you whether people who have income, savings and equity over a certain amount (suggested £30k) should be able to qualify for the register.

44% of survey respondents agreed that a financial cap should be introduced, whilst 36% disagreed. Our Registered Providers said it would mean a disproportionate amount of additional administration to check finances if this rule was introduced.

We also reviewed available income data. On the current housing register, 55% earn under £15,000, and only 2.7% earn over £35,000.

### Outcome

A financial test / cap has not been included as it was deemed disproportionate against the additional checks that would need to be introduced.

## **Other qualification change: removal from the housing register if you have refused two suitable offers (rule 6)**

We have reduced the number of suitable offers you can refuse in a 12-month rolling period from three to two. If you do turn down two suitable offers, then you will be disqualified from the register for six months. There are exceptions to this rule.

## ***Proposed changes relating to housing bands***

The main information about housing band changes is outlined below. The full information on housing band priorities is set out in the draft policy in section 4, pages 20 to 29.

## **Banding – overview and the challenge in prioritising**

### Overview

With only 3,000 lets per year and 10,000 people on the register, we need to ensure the banding system is as fair as it can be. In line with our strategic objectives, it

should prioritise those most in need, while also helping to create balanced and sustainable communities.

The new Banding system will follow the structure of the current one with four tiers:

- Band 1 – Urgent or exceptional housing need
- Band 2 – High housing need
- Band 3 – Medium housing need
- Band 4 – Lower housing need

By law, we give higher priority (Band 1 or 2) to people who fall into 'reasonable preference' categories and have urgent housing needs such as those who are experiencing homelessness, poor quality housing or medical conditions. The new policy will give 'additional preference' over and above reasonable preference to the following groups:

- applicants who are severely overcrowded
- those with urgent medical needs
- those fleeing domestic abuse
- those with a connection to the armed forces.

#### The challenge in prioritising

There are 4,680 residents in Band 1 and 2 who receive 90% of the available annual lets. 4,000 of these are in Band 2.

As there are a high number of applicants in Band 2, there is a wide variation in the level of housing need. This often means priority is given to those who have been on the waiting list the longest, rather than those who are most in need. For example, someone who has self-assessed themselves with a relatively moderate medical condition linked to their current housing could be ahead of someone who has a more serious medical condition linked to their housing and which has been validated by a medical professional.

We have therefore reviewed the issues which effect prioritisation. These are outlined below and may mean some applicants are moved from Band 2 to Band 3 depending on their circumstances.

#### **Banding – homeless prevention priority**

##### Background

We asked in phase 1 consultation whether people assessed as 'at risk of losing their homes' should be prioritised over people who were already homeless.

While the online survey was inconclusive, the consensus among stakeholders was that this would be counter-intuitive to most residents. 40% of people surveyed 'strongly disagreed' or 'disagreed' that those at risk of becoming homeless should be prioritised over those already homeless, while 36% 'agreed' or 'strongly agreed' that those at risk of homeless should be prioritised, with the rest of the responders not expressing a preference either way. Many believed that prioritising those at risk

could lead to more disadvantage for those currently homeless, potentially prolonging their wait for housing.

### Outcome

The new policy does not propose any changes - those at risk of losing their home will remain in Band 2 (high housing need) and those who are already homeless and owed a 'Main Homeless Duty' will be in Band 1 (urgent or exceptional housing need).

## **Banding – medical assessment: introduction of three tiers of medical need**

### Background

In 2025, approximately 3,000 people were in band 2 for medical or welfare reasons. Only those with the most urgent medical conditions directly related to their housing circumstance are given additional preference and awarded Band 1 status.

To prioritise those with higher medical needs in Band 2, and remove the risk of someone with lower medical needs being housed before someone with higher medical needs because they have been on the waiting list the longest, we proposed in phase 1 to move from a two-tier to a three-tier system and that medical validation should be required.

In the consultation, 62% supported three tiers, while 12% disagreed. Respondents also raised concerns about fairness in current assessments, with 80% favouring independent medical verification to ensure genuine needs are prioritised.

### Outcome

The new policy proposes that we categorise medical needs into three tiers.

Urgent cases remain in Band 1, non-urgent cases will be split between Band 2 (high housing need) where conditions with significant health impact have been validated by a medical professional, and Band 3 (moderate housing need) where impact cannot be medically confirmed at the point of application but where the applicant has self-assessed.

## **Banding – higher priority for victims of domestic abuse**

### Background

We asked whether domestic abuse victims should be prioritised over other applicants with welfare issues, for example someone who needs to move because of caring responsibilities. In the current policy they are categorised the same and are placed in Band 2.

62% of survey respondents thought that victims of domestic abuse should be given higher priority banding than those with general welfare needs. There was a strong call in the survey and from partners for a risk-based approach to assess the urgency of each case.

### Outcome

The new policy proposes that we take a risk-based approach where those fleeing domestic abuse will be placed in Band 1 (urgent or exceptional housing need) and will be given the highest possible priority within Band 1. Other victims of domestic

abuse, where the risk to their welfare is being mitigated and where support services are engaged, will be given Band 2 (high housing need).

## **Banding – making best use of existing housing stock**

### Background

There is a severe shortage of four-bedroom properties in County Durham and a low turnover of three-bedroom properties when compared with demand.

75% of survey responses, were in favour of encouraging people to downsize. The shortage of larger family homes and a shortage of medically adapted homes came up repeatedly throughout the phase 1 consultation.

We also asked whether a couple or a single person should be entitled to a three-bedroom property, if they can afford it, as allowed in the current policy. The consensus from survey responses was that people should only be allowed under occupation by one bedroom.

### Outcome

The new policy proposes that anyone who is currently a social housing tenant and wants to downsize from a family home, or move out of a specifically adapted home, will be awarded Band 2 (high housing need) to free up that stock and make best use of existing stock.

The new policy proposes that single people, or a couple, would only be allowed a two-bedroom property as a maximum.

## **Other banding changes related to housing need**

The new policy proposes the following changes:

- Those living in unsanitary/unsatisfactory housing will be given Band 2 status.
- Ex- members of the Armed Forces will be given Band 2 status. Members of the Armed Forces will also be given an additional priority in Band 1 if they have an urgent medical need, by receiving a six month back date.
- A new category has been introduced into Band 2 for applicants who are seeking a new house so they can foster, adopt, be a special guardian or kinship carer. This is to encourage more opportunities for children and young people in our care to be fostered, adopted and looked after.

## ***Approach to balanced and sustainable communities***

The main proposals to support balanced and sustainable communities are outlined below. The full information on balanced and sustainable communities is set out in the draft policy in section 5, pages 31 to 34.

## **Use of Local Lettings Policies and Direct Lets**

### Background

Phase 1 of the consultation indicated that we should retain Band 4 and our Registered Providers (RPs) highlighted that applicants within Band 4 have a role in creating balanced and sustainable communities.

However, there has been a sharp fall in lets to Band 4 in the last 10 years from 42% to 7% which RPs believe has led to imbalanced communities. The police also highlighted that concentrating residents in Bands 1 and 2 in certain locations could create areas where people are more vulnerable which could impact sustainability.

To support balanced and sustainable communities, RPs requested flexibility in the use of Local Lettings Policies (LLP) to support balanced and sustainable communities, which are already being used to tackle issues such as anti-social behaviour. An LLP outlines local issues to be considered first, over and above the countywide allocations policy. There are currently 26 active LLPs within County Durham, which mainly deal (although not exclusively) with new build housing.

We asked in our phase 1 survey about what issues an LLP should cover. Of those who responded, 22% thought shortage of housing types eg bungalows or larger family homes was important, 16% demand for affordable housing, 13% anti-social behaviour.

#### Outcome - Use of LLPs in new housing estates

The new policy sees the LLP section expanded to allow an LLP to be introduced for the purpose of 'balanced and sustainable communities' on new housing estates. DKO Partners must comply with the framework and guidance including justification and evidence for additional lettings criteria and levels of community consultation.

#### Outcome - Use of direct lets in existing communities

To support balanced and sustainable communities on existing residential estates, which may already have anti-social behaviour issues, the new policy sets out changes to direct lets. This will mean that housing providers can directly let up to 10% of their total annual lets for several set criteria, outside of the usual allocations bidding process. The existing allocations policy only allows direct lets in exceptional circumstances. All direct let's will still be advertised on DKO with reasons for restricted bidding, ensuring transparency.

### ***How to give your feedback***

Please read the full information before you respond.

- Provide your comments online.
- Attend one of our online sessions to hear more about the policy and ask questions.
- If you require the information and survey in print, copies can be requested from libraries or by email: [letstalkcountydurham@durham.gov.uk](mailto:letstalkcountydurham@durham.gov.uk)
- If you require help to provide your feedback, or need the information in an alternative format, please email us: [letstalkcountydurham@durham.gov.uk](mailto:letstalkcountydurham@durham.gov.uk)

**The closing date for responses is 15 April 2026.**

### ***Next steps***

Once the consultation is closed, we will use the feedback to make further amends, where appropriate, to the policy.

Once any amends are finalised, the policy will be passed on for agreement by our decision makers in Autumn 2026. An implementation plan for the new housing allocations policy will be developed in conjunction with the council's Durham Key Options partners, with the aim of applying the policy in early 2027 across the DKO Partnership.